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# COUNTRY AND INTERCOUNTRY PROGRAMMING

## AFGHANISTAN

UNDP assistance requested by the Government of Afghanistan for the period 1972-1976

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MINISTRY OF PLANNING
DEPARTMENT FOR ECONOMIC
AND TECHNICAL COOPERATION
No: .....
Date March 26, 1973
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or 25115.

دپلان وزارت
دافتصادی اوتخنیکی همکاری ریاست
نمبر : ۲۰۶۰۹
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دتیلفون نمبر ۲۲۰۷۸ یا ۲۰۶۵۹
یا ۲۵۱۱۵

Mr Bjorn Olsen,
Resident Representative,
U.N.D.P.,
Kabul,
Afghanistan

Dear Mr Olsen,

I have the honour to transmit with this letter, the (UNDP) Country Programme Document for Afghanistan, covering the period 1972-1976. In the preparation of the Document, the Royal Government of Afghanistan has benefited from the continuing discussions with your Office as well as from my recent visit to UNDP Headquarters where I met Mr Coomaraswamy, the Assistant Administrator of the Regional Bureau for Asia and the Far East. In the preparation of the Document we have attempted to closely follow the Guidelines issued by UNDP for the preparation of country programmes.

In reviewing the Document, it will be noted that particular emphasis has been placed on key sectors in the Afghanistan economy, such as agriculture, with a view to maximize the impact and avoid dispersal of the limited resources available under the IPF. Further, it will be seen that the priorities established in the Country Programme Document support, to the extent possible, the key sectors of our Fourth Five Year National Development Plan which has the same phasing, and has been just recently submitted to our National Parliament for approval.

Thus, as indicated above, our Country Programme Document represents a serious attempt on our part to define the UNDP inputs within the overall and sectoral priorities of our National Plan, taking into account assistance from other multilateral and bilateral sources. We do not, however, regard the Programme Document as a one shot exercise but rather as initiating a continuous process of annual reviews and re-evaluation within the objectives and policies of the National Plan. Thus, aside from our ongoing dialogue with your Office, my Government is committed to establish a system of annual sectoral reviews to appraise project performance, cost benefits and our development priorities in light of external and domestic resources available and, further to undertake the preparation of annual development plans which will be based on the annual reviews and which will reflect changes in national priorities and programmes in view of our cumulative experience with implementation and results. We belive that the annual reviews and development planning process, combined with coordination with the sector Ministries involved and donors, will result in part, in the identification of savings and/or marginal performance in projects and, as a consequence, in the refinement of my Government's targets and programmes. It is our intention to make the national planning process outlined above coincide with the Annual Reviews of the Country Programme, to make economic development planning

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a dynamic process, responsive to changing development needs.

In the context of Afghanistan's designation as one of the least developed of the developing countries, we have followed the deliberations of the 14th and 15th sessions of the Governing Council on Special Measures with keen interest, and have been gratified to learn of the Council's decision to establish a planning figure of $35 million for the period 1972-76, to be made available to the 25 least developed countries. While reference has also been made to our current thoughts on Special Measures projects and programmes in Afghanistan in the Country Programme being submitted, formulation of specific projects will have to await your advice on the exact magnitude of additional funds to be made available to Afghanistan for this purpose.

As you are aware, this is our first effort in preparing a long-term UNDP Programme and, as is understandable with first attempts, there will be lacunae. I should, therefore, like to comment on the two principal deviations from the Guidelines.

First, you will note the absence of any unprogrammed reserve within the IPF. While admittedly desirable, we were unable to accommodate such an unprogrammed reserve in view of the constraints placed on the limited IPF resources available through the pressures of ongoing commitments against the approved projects on one hand and, on the other, in recognition of the need to accommodate new requirements through anticipated second and third phase projects. Furthermore, in formulating the Country Programme Document, it was our expectation that additional programme resources would become available through the Special Measures of assistance for which we are eligible.

Secondly, it will be seen that our Programme Document includes an overprogrammed element of a little more than 1 million dollars. Bearing in mind that the approved expenditures for the programme period will not exceed the IPF ceiling established for Afghanistan, of $20 million, we do not regard overprogramming to be detrimental to our planning exercise as, and I am sure you will agree, for the purposes of adaptation, it is useful for the total programme to be somewhat beyond the confines of specific monetary availability if the programme as a whole is to remain flexible and responsible to a changing situation including availability of additional funds.

Having already elaborated on our commitment to annual reviews of both the Country Programme and of our National Development Plan, it will be useful to refer to the slippage already identified in the first year of the Country Programming implementation. The overprogramming element is estimated to be consid rably reduced when a number of pending revisions in the Health and Education sectors are processed. Additionally, with a view to further

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reducing the charges against the IPF, you will recall that in December 1971, UNDP approved allocations aggregating $360,000 against four ongoing projects, principally for equipment comprising water pumps and related material as a response to the severe drought affecting the country, with the assurance that supplementary financing outside the IPF would be favourably considered, provided actual programme expenditure in 1972 exceeded the annualized IPF of $4 million. As final expenditure reports on Programme delivery for 1972 were not available at the time of finalizing the Country Programme Document, the charges have been carried against the IPF and reflected in Annex I, possible adjustment being deferred to the first annual review of the Country Programme. These projects are; Ground Water Investigation, Ground Water Equipment and Experts, Rural Public Works, and Central Authority for Housing and Town Planning, all of which have been described in Section II of the attached Country Programme.

It would be remiss if I were to conclude without expressing the deep appreciation of my Government of the assistance provided by your Office and your colleagues in UNDP Headquarters in New York in the preparation of the Document. Our working relations have been both frank and friendly.

As this letter reflects the views of my Government on the Country Programme Document, I would be grateful if the UNDP, in presenting the Country Programme to the Governing Council at its 16th Session, institute this letter as a part of the Royal Government of Afghanistan's official submission to the Council.

Yours sincerely,

Ali. A. Khoram

(Ali Ahmad Khoram)
Deputy Minister of Planning
ROYAL GOVERNMENT OF AFGHANISTAN

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## BACKGROUND INFORMATION

1. Location - Afghanistan is a landlocked country, bounded by Iran, Pakistan, the USSR and the People's Republic of China.

2. Topography - The country's landscape is characterized by high rugged mountains, uninhabitable deserts and fertile oases. Three mountain ranges trisect the country - the Hindu Kush, the westernmost extension of the Karakorum and the Himalayas, the Kahi-baba Range which continues the main ridge westward and the Parapanisus mountains, which are a series of lower ridges extending towards the Iranian frontier.

3. Climate - Extremes in temperature prevail. Rainfall is uncertain, averaging 10-15 inches except for the southwest where rainfall is 5 inches or less.

4. Land Use - Of the total land area of 63.5 million hectares, 7.8 million hectares are arable, a further 6.0 million hectares are suitable for agriculture, with the balance consisting of mountains, pastures and forests. Of the arable land, about 2.7 million hectares (or 34.6%) is uncultivated with the balance split equally into irrigated-land and dry-land.

5. Gross Domestic Product - (Factor cost, constant 1967 Prices) 1970: Afs. 68.2 billion - equivalent to $ 1.505 billion (at official exchange rate)

Real rate of growth 1969-1971 (1965-66 prices): 0.0%

Per capita income: about Afs. 3,960 (equivalent to about $ 88 at official exchange rate)

Percentage composition: Agriculture, including livestock - about 50%
Manufacturing, including handicrafts - about 12%

6. Population - No population census has yet been taken but the estimated total population is in the vicinity of 17 million. About 85% of the inhabitants live in rural areas and about 2 million are nomads. The population growth rate is estimated at 2.3%. There are a large number of ethnic groups, tribes and languages. The largest

groups are the Pashtuns, Tajiks, Uzbaks, Turkoman, Hazara and Aimaks. The two national languages are Dari and Pashtu. Islam is the official religion.

7. Labour Force - The composition of the labour force is roughly 67% engaged in agriculture, 6% in industry and handicrafts, 2% in construction and mining, 3% in trade and the residual in miscellaneous activities.

8. Agriculture - Afghanistan's economy is mainly agricultural and pastoral and production is in large measure of a subsistence nature. The major agricultural crops are grains (wheat, corn, rice, barley), fruits and nuts, vegetables, cotton, sugar-cane and oil seeds. The livestock sector constitutes 1/3 of export earnings.

9. Mining - The contribution of this sector to GDP is presently very small. Coal, salt, chrome ore, marble, and lapis lazuli are the only minerals currently mined, but in addition, there are known to be deposits of silver, gold, berrylium,sulphur, iron ore, mercury, tin, wolfram (tungsten) and petroleum. Large deposits of natural gas in the northern part of the country are being exploited principally for export to USSR.

10. Industry - Industrial production accounts for over 10% of GDP of which the greater part originates from handicraft activities. Main manufactured products include cotton, woollen and rayon textiles, casings, refined sugar, shoes and cement production and food processing.

11. Education - There is an estimated 15% literacy rate among men and 2% among women and primary school enrolment is approximately 21% of the primary school age group.

12. Water and Sewerage - In Kabul the public water supply system caters to only about 20% of the population. There is no central sewerage system. Water supply systems are now being developed in four other major cities, Jalalabad, Kandahar, Herat and Mazar-i-Sharif. Health services are concentrated in the larger cities.

13. Transport - The transport system consists of an encircling road system extending from Kabul to Kunduz and Mazar-i-Sharif in

the north, through Herat in the west and Kandahar in the south, back to Kabul with links with the sub-continent in the east and south, Iran in the west and USSR in the north. A domestic airline (Bakhtar) provides cargo and passenger services to major centres, dependent on weather conditions. An international airline (Ariana) provides regular services to neighbouring countries and Europe.

14. Power - Installed electric generating capacity is about 240 megawatts which is predominately (80%) hydrogeneration. There is no national grid, and villages and small towns are not electrified.

15. National Price Index - (Main consumer goods - 1961-62 = 100): 255.4 in 1970-71.

16. Money and Credit:

| (Afs. million) | March 1971 | % change from March 1970 |
|---|---|---|
| Total money assets: | 14,853 | 4.5 |
| Claims on public sector | 9,870 | 8.8 |
| Claims on private sector | 2,772 | 4.1 |
| Foreign assets | 2,211 | 0.4 |

17. Public Accounts

| (Afs. million) | Third Plan (1967/8 - 1971/2) | 1351 (1972/3) | Fourth Plan (1972/3 - 1976/7) |
|---|---|---|---|
| Expenditure | 42.2 | 10.1 | 61.3 |
| of which Ordinary | 23.2 | 5.6 | 33.8 |
| Development | 19.0 | 4.5 | 27.5 |
| Financed by: | | | |
| Domestic Revenue | 25.3 | 6.2 | 41.4 |
| Local Borrowings | 3.3 | .5 | .5 |
| Commodity Assistance | 3.8 | 1.4 | 6.1 |
| Project Aid | 9.8 | 2.0 | 13.3 |
| Total | 42.2 | 10.1 | 61.3 |

18 External Public Debt

Total Annual Debt Service in 1351 (1971-72) - Afs. 1,130.0 million (equivalent to $ 25.0 million at official exchange rate)

% of visible export earnings (1971-72) - 24%

19. Balance of Payments ($ million) — 1970-71

| | |
|---|---|
| Total Merchandise exports | 83.9 |
| Invisible receipts (net) | 3.0 |
| Total Imports | 127.0 |
| Official Capital | 42.0 |
| Amortization | 17.5 |
| Official Exchange Reserves (March) | 33.3 |
| Concentration of Exports: | |
| Fruits and Nuts | 29.3 |
| Livestock products | 20.3 |
| Cotton | 8.9 |
| Carpets | 5.7 |
| Natural Gas | 14.0 |

20. Exchange Rates: Official Afs. 45.3 = US $ 1.00
Free Market Afs. 70.0 = US $ 1.00

21. Political Status: Constitutional Monarchy

22. The Afghan Year is from 21 March to 20 March. Afghan year 1351 is equivalent to 21 March 1972 to 20 March 1973.

## SECTION I. BRIEF STATEMENT OF CURRENT OVERALL DEVELOPMENT OBJECTIVES AND PRIORITIES

1. Afghanistan is regarded as one of the least developed countries of the world. Physical factors such as arid conditions, rugged terrain and relative remoteness with respect of trade centres have retarded development in the past and will continue to exert an influence on the pace and pattern of future development. On the other hand, Afghanistan's endowment with potential wealth in the form of minerals and natural gas, as well as large agricultural land and water resources not yet fully utilized, may be viewed as a challenge to spur development. But, aside from physical factors which have served as constraints to development, poorly equipped institutional environment, administrative inadequacies and lack of technical expertise are responsible for past and present low economic performance.

2. As one of the least developed of the developing countries, Afghanistan is a country characterised by the following features - very low per capita incomes in the range of $ 70 - $ 90; predominance of subsistence production; a very low level of literacy, estimated at 15% scarcity of skilled manpower; and under-developed physical and institutional infrastructure, including a weak administrative system.

3. Domestic resource mobilisation is at an exceedingly low level, and consequently there has always been a heavy reliance on external financing. During the Third Plan (1966-1971), foreign assistance including commodity finance constituted about 2/3 of the development budget, and is projected at the same level during the Fourth Plan (1972-77). Inspite of this projection, however, previous injections of external capital appear to have had little immediate effect on the economy, apart from saddling the country with a large public debt burden.

4. Although the availability of statistical information is limited, a brief review of the recent economic situation and performance, as well as an assessment of progress within the social sector, will assist in placing the development tasks in proper prospective. Available information suggests that the annual rate of growth in GDP has not kept pace with growth of population. This relatively slow rate of growth of output is largely associated with a stagnation in the agricultural sector, which accounts for over 50% of GDP, and the performance of which is highly dependent on weather conditions. Other constraints which have inhibited agricultural production include shortage of water and inadequate irrigation systems, insufficient supply of agricultural inputs such as seeds and fertilisers, and inadequate credit and extension services. Moreover, relatively large expenditures under the development plans during the last decade have concentrated on infrastructural investments, which so far, have contributed little to increased production.

5. In addition to its contribution to GDP, the agricultural sector still accounts for over 75% of total commodity exports, provides an income to about three-quarters of Afghanistan's population, and provides the bulk of raw materials for industry. The major activities in the agricultural sector consist of cropping and livestock. Crop production which has traditionally been of a subsistence nature,is slowly becoming more market oriented, with fruits and nuts now constituting the major cash crops. The use of chemical fertilisers and pesticides is just beginning. But the utilisation of these inputs with improved water supplies has already been demonstrated on a limited scale on some of agriculture's potential. Livestock are also a very important factor in the economy, providing about one-third of recorded export earnings, and 10% of GDP. While this is one of the most promising sectors, it has probably also been one of the most neglected.

6. Despite some progress in the agricultural sector, the country's continued vulnerability to changes in climatic conditions was again recently underscored. By far, the major factor affecting the economic situation in Afghanistan in the last two years has been a prolonged drought followed by an extremely cold winter, which has severely affected agricultural production and has had, as a consequence, widespread repercussions on industrial production, the balance of payments, domestic prices and the standard of living of the population. Moreover, the production of wheat, the most important single crop, fell over the course of the Third Plan (1345-51, 1967/68 to 1971/72). Although food grain imports increased significantly (in response to the drought conditions), grain prices increased as well. In addition to the effect that the drought will have on the immediate future, it is expected to have a longer term impact on the development of livestock and orchards which were badly affected.

7. Industry, especially manufacturing, is still on a very small scale, and is mainly concerned with the processing of local materials. Factory production, aside from cement, consists largely of consumer goods. About three-fourths of investments in large scale industrial enterprises are in the public sector. However, following the enactment of the Foreign and Domestic Private Investment Act, private investment increased markedly.

8. In the field of mining, while Afghanistan apparently has considerable mineral potential, it has remained largely unexploited. Inadequate transport facilities, shortage of capital and lack of technical expertise are among the factors retarding development of this sector. On the other hand, the utilisation of natural gas as an export commodity has provided a much needed stimulus to the economy and could in due course, facilitate the growth of an industrial complex in the northern region.

9. Electricity is available only in urbanised parts of the country. Production has grown at an annual rate of 9% since 1964/65. At this juncture, it is necessary to ensure that transmission and distribution capacity keep pace with generation capacity, as well as to achieve an overall improvement in management performance.

10. Transport and communications have improved considerably in recent years. During the previous three plans, more than 80% of investment in this sector was devoted to the construction of roads. Tourism holds a great potential for Afghanistan, both as a foreign exchange earner as well as a source of employment.

11. With respect to the position on the balance of payments, an increasing deficit is one of the problems which has gained prominence in the past few years. Export prospects for the next two years are considered unfavourable due to the aftermath of the drought. Afghanistan's balance of payments structure in the medium to long-run future will be highly dependent on the net inflow of capital, but here the prognosis is also not very favourable at present. Due to the sharp rise in external debt service payments and a marked decline in the gross flow of estimated assistance from $ 101.2 million in 1966-67 to $ 42.0 million in 1970-71, the net capital inflow in the Third Plan was only a fraction of the amount recorded in the Second Plan.

12. The Government's financial position has also worsened in the past few years. Ordinary expenditure (particularly in respect of subsidies and debt payments) increased faster than revenue receipts. Significant problems in this area include an inadequate tax base and the extremely low salaries the Government can afford for its employees.

13. Progress in the social sector during the course of the Third Five Year Plan was limited, as has already been indicated in the part by the lack of improvement in per capita incomes. Standards of living were negatively affected by the drought, with the rural areas the most hard hit. As is true in most developing countries, the level of social services is much higher in urban areas than in rural areas. In the field of education, according to latest figures, the literacy rate is placed at about 15% among men and only 2% among women. Less than one-quarter of all primary school age children are in school and attendance in the villages is only a small fraction of that in the cities. The rate of wastage through dropouts and repetition is extremely high. In the area of vocational training, which is of vital

importance to the economy, progress was disappointing. In contrast to elementary school enrolment which increased by 48% during the Third Plan Period, vocational school enrolment declined by 3%. Staffing of educational facilities at all levels remains one of the major problems.

14. Improvement and extension of health services is a critical issue for Afghanistan. There is presently only one doctor for every 20,000 of the population and the rate of expansion of public health services has not kept pace with the growth of population. By and large, the health facilities are concentrated in the larger cities, but even here the services are inadequate. Some progress has been made in the control of epidemics and endemic diseases but infant mortality still remains extremely high.

15. One consequence of the stagnant economy has been that it could not absorb the new entrants to the labour force, and unemployment is believed to have doubled during the course of the Third Plan period. Concurrently however, there is a severe shortage of skilled workers and technicians.

16. While it is evident that some progress was achieved under Afghanistan's Third Five Year Plan, and it may be expected that investments during this period which have yet to reach fruition will provide the basis for succeeding development, for the most part the problems which have confronted Afghanistan in recent years remain as serious as ever. However, the Government is giving serious attention to improvement of the capacity of its administration to more effectively identify, prepare and implement development plans and projects. There is an appreciation of the need to adopt measures which will promote a more rapid economic and social development of the country.

17. Organised planning began in Afghanistan in 1335 (1956), with the introduction of the First Five Year Development Plan. External assistance to the country dates from this period. Following the First Plan, the Government prepared and implemented the Second and Third Five Year Development Plans, and the Fourth Five Year Development Plan is now in the process of finalisation by the Government. The planning period for the Fourth Plan is 1351-55 (1972/73 to 1976/77). The programme period for UNDP assistance,

1972-76, therefore coincides with the Fourth Five Year Development Plan. The Ministry of Planning of the Royal Government of Afghanistan is charged with the preparation and implementation of development plans and projects. In general, however, the organizatio and administration of planning in Afghanistan still needs strengthenin

18. As a result of the introduction of the new Country Programme approach with respect to the allocation of UNDP resources, the opportunity has been provided whereby the Government can now much more readily plan and allocate these funds in accordance with their development objectives and national priorities. In the case of Afghanistan, the initiation of the new Country Programme approach at this juncture is particularly timely, inasmuch as it coincides with the commencement of the new plan period. Consequently, the UNDP Country Programme has afforded a good opportunity to review on-going projects and appraise new requests in the light of the stated Government priorities for the Fourth Five Year Plan. The Government has introduced a system of annual reviews of the national plan. These reviews will allow for adjustments to be made in the allocations under the UNDP Country Programme to conform with periodic changes in national priorities.

19. In light of the various problems listed above, the Government has identified the following main objectives in the Fourth Five Year Plan:

i. To secure a rapid increase in production and incomes. The forecast growth of GDP is 4.8% per annum. The growth of the agricultural sector is forecast at 3.3% - 3.6% per year, and the plan anticipates a considerable increase in the growth of the industrial sector. The plan anticipates that per capita income will increase by a rate slightly over 2.0% per annum. A major target associated with the growth in output is the forecast of self sufficiency in wheat by the end of the plan period;

ii. to generate a substantial increase in employment opportunities;

iii. to provide growing level of education and health services throughout the country;

iv. to promote price stability and balances in external payments;

20. In promoting these objectives the strategy of the Plan lays particular emphasis on the following aspects (not necessarily in order of priority). The UNDP - assisted projects are related to a number of the strategic measures of the plan:

i. improved mobilisation of domestic resources through more effective tax administration, an expanded tax base, and the development of financial institutions (reference - UNDP assistance to the Agricultural Development Bank and the Industrial Development Bank);

ii. improved management of external resources, including an export promotion programme based on domestic agricultural production (reference - UNDP assistance to the Wool Grading, Scouring, Packaging and Disposal Programme); an expansion of tourism (reference - UNDP assistance for the Organization, Development and Promotion of Tourism); allocation of foreign exchange on the basis of priority import requirements;

iii. an expanded use of fertilisers and improved seeds in the agricultural sector and a consolidation of the irrigation system and of the necessary supporting services;

iv. the strengthening of the legal, administrative and institutional framework for plan and project formulation and implementation (reference - UNDP assistance in the fields of Planning, Water Management Services and Industrial Services);

v. a rationalisation of the role, extent and scope of public sector participation in the economic life of the country (reference - UNDP assistance to the Management Centre);

vi. an increasing level of investment allocated on the basis of plan priorities. In this respect, the agricultural sector will absorb about 40% of total investment resources (reference - UNDP assistance for Training and Demonstration in Animal Health and Husbandry and in Forest and Range Improvement);

vii. the expansion of primary education and an augmentation of higher level education and training facilities on the basis of manpower requirements (reference - UNDP assistance for the Integrated Education Development Project);

viii. an expansion of health services, with particular emphasis on the provision of such facilities in the rural areas;

ix. an increased emphasis on the construction of feeder and access roads and on the improved maintenance of existing paved roads (reference - UNDP assistance for Highway Maintenance) and on the development of air transport facilities (reference - UNDP assistance to the Afghan Air Authority, and for Civil Aviation);

x. the development of particular regions to equalize economic and social opportunities throughout the country (reference - UNDP assistance for the Integrated Development of the Kunar Region and for Rural Public Works).

21. Assistance provided by UNDP and funded from sources outside the IPF and Special Measures of assistance in light of Afghanistan's designation as one of the least developed of the developing countries:

a) In addition to programming UNDP resources available for the programme period 1972-1976, under the Indicative Planning Figure (IPF) for Afghanistan, assistance is being also considered and in some instances, being provided, from other, separate, UN funding sources and from the UNDP Administrator's Programme Reserve for Special Industrial Services.

i. The Government is examining feasibility of a crop substitution programme for poppy and canabis growers and related legal as well as administrative requirements, with resources for assistance to be made available from the UN Fund for Drug Abuse Control (UNFDAC).

ii. The services of United Nations Volunteers (UNV) for provincial assignments to selected UNDP assisted programmes, starting on a pilot basis from 1973, will be provided without the Government having to support local costs. The UNVs are in addition to the Associate Experts provided by donors through the UN system to assist in selected development projects.

iii. Afghanistan has also become an annual contributor to the United Nations Fund for Population Activities (UNFPA) and discussions are currently underway concerning possible additional UNFPA assistance in the population, family health fields as well as for the expansion and improvement of the nursing and maternal child health services.

iv. United Nations Capital Development Fund (UNCDF). Consonant with the new focus for the activities of the Fund, set forth in DP/L 222 and endorsed by the Governing Council, Afghanistan is exploring possible application of UNCDF financing in the area of food and light industries. Accordingly, a food processing expert provided to the Investment Advisory Centre of the Ministry of Commerce under the UNIDO regular programme is currently assisting the Government in developing a project for the establishment of Central Services for Integrated Development of Food Industries, involving the use of mobile food processing units, the latter being eligible for financing from the UNCDF.

v. From the Administrator's Programme Reserve for Special Industrial Services, UNDP is financing two small scale projects:

- Materials Management System, at a cost of $ 30,000 to UNDP and Afs. 278,000 to the Government. The project is designed to reorganise, improve and generally establish an efficient system for the procurement, installation and distribution of supplies and materials for all Government agencies and enterprises.
- Leather Industries Adviser to the Investment Advisory Centre of the Ministry of Commerce for 3 months in 1972 at a cost of $ 7,500.

b) Special Measures for the Least Developed of the Developing Countries: Activities charged against the $ 35 million planning figure for Special Measures in favour of the least developed of the developing countries established by the Governing Council at its 15th session:

i. Return Mission of the expert provided under the project Lapis Lazuli and other Semi-precious Stones, (paragraph 76) for a further period of six months to enable the completion of counterpart training in the use of the equipment provided.

ii. The project Assistance to the Leather Industries (paragraph 21. a. v.) was extended for a further period of 18 months in 1972/1973 at a cost of $ 47,000.

iii. A UNDP financed feasibility study of the Tourism Sector in 1971 recommended, in part, the construction of new hotels and refurnishing of existing facilities. In anticipation of IBRD/IDA credit being made available in 1974, the Government has requested assistance under the Special Measures category for UNDP financing in preparing design/construction surveys. A project request covering this assistance, costed at $ 249,900, is currently under appraisal.

iv. In order to ensure that Afghans awarded fellowships under UNDP financed projects have an adequate knowledge of English language to benefit from overseas training, a project request has been submitted for preplacement English Language Testing and Training costed at $ 9,000 for 1973.

v. The Government is considering the possibility of submitting a request to UNDP for assistance in carrying out feasibility studies for the development of the Mineral Sector (paragraph 69). A UN/OTC regional adviser visited the country in February 1973 for discussions with the Government on mining legislation. It is expected that UNDP will field a mission, jointly with UNOTC, to participate with the Government in a general review of the existing and projected requirements of the sector, in Spring of 1973.

vi. In the context of the continuing dialogue between the Government and UNDP on programme matters, various approaches are being explored for the effective promotion of local development oriented research by existing Afghan institutions such as the Kabul University Research Centre. To be eventually financed as Special Measure under the Programme Reserve, it is expected that the effort will promote professional staff development, institutional development and involvement of trained Afghan professionals in inter-disciplinary approaches to defining and researching development problems in the country.

vii. In accordance with the recommendations outlined in document DP/L 263 paragraph 18, proposals for the establishment of a Programme Support Fund, at a country level, are being actively considered. While at this time, it has not been possible to identify the projects and the specific funding required, the UNDP supported on-going project for the Integrated Development of the Kunar Province, the Rinderpest campaign and the Animal Health and Husbandry project among others are considered well suited to benefit from such supplementary financial support.

viii. In June 1972, at its 14th Session, the Governing Council approved the waiver of local programme support costs calculated at 8% of the $ 20 million IPF amounting to $ 1.6 million, payable by the Government for the period 1972-1976 in recognition of Afghanistan's position as one of the least developed of the developing countries.

22. Total development spending by the public sector during the Fourth Five Year Development Plan is estimated to amount to Afs. 27.5 billion, a level substantially higher than that estimated or achieved during the Third Five Year Development Plan. The Plan forecasts that slightly under 70% of the public sector development expenditure programme will be financed from external resources.

TABLE ONE: ESTIMATED TECHNICAL AND CAPITAL ASSISTANCE RESOURCES FOR THE PROGRAMMING PERIOD (1972-76) in million US $

| SOURCE | 1972 (= 1351) | 1973 | 1974 | 1975 | 1976 (=1355) | TOTAL | % |
|---|---|---|---|---|---|---|---|
| Bilateral: Technical 1/ | 20.4 | 20.4 | 20.4 | 20.4 | 20.4 | 102.0 | |
| Project 2/ | 35.5 | 53.9 | 52.0 | 49.9 | 45.2 | 236.5 | |
| Commodity - 2/ (Budgetary Receipts) | 18.4 | 17.6 | 16.8 | 10.7 | 15.8 | 79.3 | |
| Commodity - 3/ (Non-Budgetary Receipts) | 11.4 | 14.6 | 10.4 | 10.0 | 2.0 | 48.4 | |
| Sub Total | 85.7 | 106.5 | 99.6 | 91.0 | 83.4 | 466.2 | (82.0) |
| Multilateral 4/ (Other than UN Organizations or UNDP) | 2.6 | 6.2 | 8.4 | 10.1 | 10.3 | 37.6 | (06.6) |
| UN Organizations and Regular Programmes: | | | | | | | |
| UN | .1 | .4 | .5 | .5 | .5 | 2.0 | |
| WHO | .7 | .7 | .7 | .7 | .7 | 3.5 | |
| WFP | 6.3 | 5.2 | 5.4 | 5.4 | 4.5 | 26.8 | |
| UNICEF | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 5.0 | |
| FAO/Co-operative | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 5.0 | |
| Other | .3 | .3 | .3 | .3 | .3 | 1.5 | |
| Sub Total | 9.4 | 8.6 | 8.9 | 8.9 | 8.0 | 43.8 | (07.7) |
| UNDP + | 6.5 | 6.4 | 4.7 | 2.3 | 1.1 | 21.0 | (03.7) |
| GRAND TOTAL | 104.2 | 127.7 | 121.6 | 112.3 | 102.8 | 568.6 | (100.0) |

Notes: + This amount reflects 5% over-programming of $ 20 million IPF approved for Afghanistan by the Governing Council for the period 1972-76

1/ Source: Annual Report on Development Assistance to Afghanistan, 1971

2/ Source: Draft 4th Five Year Plan, 1351-1355

3/ Source: IMF Estimate

4/ Source: Draft 4th Five Year Plan, 1351-1355

## SECTION II. DESCRIPTION OF SECTORAL NEEDS PROPOSED TO BE MET WITH UNDP AND OTHER EXTERNAL ASSISTANCE

### Agriculture

23. The agricultural sector is the backbone of the Afghanistan economy, contributing over 50% to gross national product. The sector dominates Afghanistan's exports (75% of all export earnings) and provides a source of income and livelihood to the vast majority of Afghans. The main food crop is wheat (providing the staple diet), which together with corn, barley and rice account for 90% of the area under crop cultivation. Sugar beet and dried fruits and nuts are important crops, particularly from the point of view of foreign exchange saving and earning respectively. The main cash crops are cotton and cotton seed. Livestock plays an important role in the development of agricultural sector - providing one-fifth of the gross value of the agricultural output, and one-third of all export earnings, mainly in the form of skins. Sheep sales provide a significant cash income to the rural farmer.

24. Over the last ten years or so, the performance of the agricultural sector has not developed according to the needs of the country. Annual growth since early 1960 has averaged around 1.6% and although statistical data should be treated with caution, it appears that growth has not kept pace with the natural increase in population. Apart from an increase in the export of fruits and nuts, total export earnings from the agricultural sector have not increased over the past decade. Partly as a result of adverse climatic conditions, production of wheat and raw cotton has fallen over the same period. The deficit in wheat production over domestic consumption necessitated in turn the importation of about 500,000 tons in 1971. There have been few, if any, productivity gains during the immediate past.

25. The main factors which had influenced the development of the agricultural sector are as follows. First, low productivity of the major crops due to limited use of fertilisers and improved seeds,

disorganized use of water resources and inadequacy of credit facilities. Second, due to the non-availability of domestic as well as foreign resources, the livestock sector has not developed, as desired. Third, the general level of agricultural education which needs considerable improvement. The extension services need strengthening to effectively communicate with farmers. Legislative action is required to regulate the use of water and of forest resources, to govern the establishment and operation of cooperatives and to facilitate the operations of the Agricultural Development Bank.

26. In the light of these factors, therefore, the Government has identified in its Fourth Five Year Development Plan, the following objectives. The first priority will be to maximise the rate of growth of production, incomes and paid employment in the agricultural sector. The plan estimates that the annual average growth of the agricultural sector (gross output) will be of the order of 3.3% to 3.5% over the plan period. As part of the production programme, a specific planned objective is to achieve by the last year of the plan, self-sufficiency in wheat production i.e., 1355 (1976/77). By the end of the Fourth Plan it is anticipated that annual wheat production will increase from 2.1 million tons in 1350 to 2.9 million tons in 1355. Second, in line with the production programme and with the overall plan objectives of earning and conserving foreign exchange, the production of raw cotton, sugar beet and fruit will be considerably expanded. The planned increase in annual production for cotton, sugar beet and fruit is from 76,000 tons, 64,000 tons and 760,000 tons in 1350, to 149,000 tons, 110,000 tons and 900,000 tons in 1355 respectively. Thirdly, major food prices will be stabilized in the interest of both consumers and producers. Total investment in the agricultural sector in the Fourth Plan period is estimated at Afs. 10.6 billion (US $ 23.4 million). As a contribution to this programme, the UNDP will be making available US $ 5.2 million, which represents 26.4% of the IPF over the programme period.

27. It should be noted that the plan identifies a number of small and medium scale agriculture and irrigation surveys for which local

currency resources have been earmarked in the plan but for which no external resources have been forthcoming.

28. In the execution of the agricultural programme, prime attention will be paid to improving productivity. The main element of this programme will be a wider use of fertilizers and improved seeds, and a more efficient development of the irrigation system. It is anticipated that fertilizer use will be expanded from 68,300 tons in 1351 to 218,300 tons in 1355. Part of this increase will be met from the fertilizer plant now under construction at Mazar-i-Sharif which is due to begin operation in 1353. The plant has been constructed and will be initially managed with assistance from USSR. The balance of the required level of fertilizers will be imported and distributed through the Afghan Fertilizer Company (AFC), a subsidiary company of the UNDP/IBRD assisted Agricultural Development Bank (see paragraph 41 below). Part of the importation of fertilizer will be met through a USAID commodity loan in support of the AFC which is assisted by USAID grant financed expert personnel. The overall food grains development may be assisted through a UNDP financed inter-country project for wheat and barley improvement and production, whilst the USAID project in National Agricultural Development is concerned with research on new varieties of wheat and with the provision of improved varieties of seed, fertilizers and pesticides, and India is assisting in the development of agricultural research programmes for the major crops.

(a) Development of Water Resources

29. Irrigation plays an important part in the development of agriculture in Afghanistan, and the regular availability of sufficient water has often been a constraint on production programmes. Traditional methods of irrigation have not been successful in ensuring a sufficient flow of water, and the Government has embarked upon a number of large scale irrigation projects in selected areas of the country. During the Fourth Plan, the irrigation programme will be continued, with the emphasis gradually shifting from the large scale projects for which the recoupment period on the initial investment is long, to rehabilitation

projects on existing irrigation schemes (with particular reference to the productivity of such investments) and to smaller irrigation projects, the return on which will be obtained in the short run. A substantial element of the WFP multi-purpose development project will assist the Government towards this end. A selected number of irrigation surveys will also be carried out. The international community is heavily involved in the development of irrigated agriculture throughout the country. On the basis of the UNDP financed feasibility study, the IBRD/IDA is developing a programme of barrage construction, distribution system and canal water management in the Kunduz-Khanabad district. In this connexion remaining funds programmed in the IPF for the completed Kunduz, Khanabad Irrigation Feasibility Study are in process of cancellation. Based upon the initial survey carried out by FAO, the Asian Development Bank is assisting in a programme for irrigation and crop development in Chardara Gawargon, and has also provided assistance in identifying and preparing irrigation projects in the Kama region and in the Balkh River Basin. The USSR has provided assistance in the Sardeh Irrigation Project. The development of the Helmand Arghandab Valley, which involves irrigated agriculture,has been assisted by USAID. India has assisted in the development of a small scale irrigation project, linked with generation of hydro-electric power at Charde-Ghorband, a model which is to be applied to other areas by the National Electric Authority.

30. The possibilities for surface water development are linked to a rational programme for the exploitation of groundwater. As yet there has been no comprehensive survey of the potential for groundwater in Afghanistan. The Fourth Plan addresses itself primarily to the continued development, on the basis of suitable surveys, of groundwater potential in economically viable areas and to the installation of wells and water pumps. Technical assistance will be provided as appropriate to the farmers. The UNDP is closely involved in this programme.

31. Groundwater Investigation and Groundwater Equipment and Experts. Under an earlier allocation, costing $ 1.5 million, the UNDP financed a large scale project in Groundwater Investigations. Expert services,

fellowships and equipment were provided to the Ministry of Agriculture and Irrigation. The project enabled the Ministry to carry out extensive groundwater investigations in the Katawaz and Charikar areas. As a response to the drought conditions prevailing in the area during 1971, UNDP has supplied additional equipment at a cost of $ 120,000 to assist in relieving the water shortage.

Through a complementary project Groundwater Equipment and Experts, services were provided to assist the Ministry of Agriculture and Irrigation to make more effective use of groundwater resources in alleviating water shortages due to drought conditions. On the latter project, expenditure during 1972/73 is expected to be $ 180,000 in equipment and $ 15,000 for expert services.

32. A matter of considerable importance in Afghanistan is the proper and rational development of water resources available to the country as a whole. Water rights are not legally defined, and there is no available machinery for arbitrating the conflicting claims of water users. Both the crop sector and the livestock sector are vitally dependent for their development on adequate and regular water supplies and there are other claimants on the limited resources, including industrial and domestic users.

33. Water Management Services. In a response to these problems the UNDP is currently assisting the Government in establishing and operating water management services within the Irrigation and Water Management Department of the Ministry of Agriculture and Irrigation. The major activities of the water management services are:

(1) to co-ordinate and evaluate projects in the water resources field;
(2) to review nature and extent of existing water rights and to draft a national water code; and
(3) to guide the collation and standardisation of hydrological and hydrogeological and related economic and legal data.

- The UNDP contribution approved for this project for the period 1972-76 is $ 1,220,489. The allocation in the programme period comprises 338 man months of experts, 216 man months of fellowships, and equipment. The total Government counterpart contribution is Afs. 59,176,100 for the period 1972-76.

34. Water Resources Fellowship. To assist in the development of an efficiently staffed Ministry of Agriculture and Irrigation, the UNDP in 1971 provided 3 fellowships in the field of hydraulics and irrigation to officials of that Ministry. Expenditure in 1972 is estimated to be of the order of $ 5,400 by UNDP and Afs. 36,000 by the Government.

(b) Livestock Development

35. In spite of its great potential the livestock sector has not developed as desired over the past decade. In recognition of the fact that sufficient attention has not been paid to the possibilities for development, the Fourth Plan places considerable emphasis on this sector, with special reference to the development of sheep. In particular, disease control measures will be strengthened and expanded; range land will be properly controlled and developed; production of fodder crops will be encouraged; distribution of watering points will be carefully watched; credit facilities and extension services properly expanded; and a more efficient marking system developed. Considerable external assistance, both technical and capital, will be involved in this programme. The USSR is providing expert services, equipment and training to facilitate the various vaccination programmes of the Ministry of Agriculture and Irrigation in Herat, Mazar-i-Sharif, and Jalalabad. Denmark has provided facilities for fellowship training in animal diseases. On the production side the IBRD/IDA is developing a major livestock development and marketing project in Herat. The Peoples Republic of China has provided expert services and equipment to construct and develop a Poultry and Egg Production Farm in Bagrami, a Sericulture Farm at Duralaman, and a Fish Farm in Jalalabad.

36. Training and Demonstration in Animal Health and Husbandry. Under an on-going project, UNDP is assisting the Ministry of Agriculture and Irrigation with a wide ranging series of activities. Under the first phase of the project, Training Centres for Animal Health Assistants and Extension Workers were established in Kabul and veterinary laboratory technical courses introduced. A pilot area

was developed in Baghlan to demonstrate the effectiveness of extension work in animal health and animal husbandry. Veterinary laboratories were developed to undertake diagnostic work. During the course of the second phase expected to begin in 1973, the project activities will concentrate on the Animal Health Institute and the Central Veterinary Laboratories in Kabul (Project "A") while a new project activity will cover sheep production, range management and extension in the Baghlan/Kunduz area (Project "B").

- The total UNDP contribution for the first phase was $ 1,414,250, of which $ 395,800 is programmed to be spent over the period 1972-73 for 112.5 man months of expert services, 60 man months of fellowships and equipment. The Government counterpart contribution will be Afs. 61,225,000 and Afs. 12,046,875 respectively. The continued assistance will be divided into two separate, but closely linked projects. Project "A" will be a second phase of the on-going project - Tra ing and Demonstration in Animal Health and Husbandry. The UNDP allocation requested is $ 900,000. Project "B" will be Livestock Production and Development, for which the UNDP allocation requested is $ 600,000. The Government counterpart contribution is estimated at Afs. 30 million and 25.5 million respectively.

37. Rinderpest Control. In accordance with international obligations, the Government will continue the programme for the control of the rinderpest cattle disease. The control of the disease will be an important step in the development of livestock in Central and Southern Afghanistan. The programme is also being assisted by USAID and USSR.

- The total UNDP contribution approved for the project is $ 118,000 representing 36 man months of experts, and equipment. Of this amount, $ 55,000 will be spent in 1972, and the balance in 1973 and 1974. The Government counterpart contribution is estimated at Afs. 18.5 million.

(c) Forestry Development

38. The efficient development of forest resources is not only important in providing employment, income and raw material for domestic and industrial use, but also in its beneficial effects on the climate, on soil protection and on the regulation of surface water flows. Hitherto however, little attention has been paid to the importance of a rational programme of afforestation, soil conservation, and orderly exploitation. A programme for the conservation and development of forests during the Fourth Plan has been worked out. Priority will be placed initially on the adoption of appropriate regulations governing the use of forest resources, on the training of personnel, and on the development of an appropriate forestry service. A major element of the Paktia Province Development Programme, assisted by the Federal Republic of Germany, is the control and reforestation project.

39. Demonstration and Training in Forest and Range Improvement. Under an on-going project, which is related to the Integrated Development of Kunar Province (paragraph 57), assistance is concentrated on (1) the need to develop forestry conservation, exploitation and reforestation policies, plans and strategies; (2) training in the fields of forest surveys, forest inventory practices, watershed and management policies and techniques, and (3) the establishment of guide lines for the integrated development of the Kunar region. The mission scheduled to take place in May 1973, will review the first phase and make recommendations for future assistance. It is however, already clear that certain preconditions are essential for the rational development of the forest resources of the country. Without such conditions, it is anticipated that the UNDP assistance for the second phase of the project will be somewhat limited. Nevertheless, in the possible likelihood of a more favourable environment, a full scale project is included in the reserve list.

- The UNDP contribution approved for the project within the programme period is $ 664,000, which includes 167 man months of expert services, 53 man months of fellowships and equipment. Government contribution is estimated to be Afs. 10.8 million.

39.A. Conservation and Utilisation of Wildlife Resources. Inadequate attention is being paid to the proper conservation of wild life resources in Afghanistan. There is considerable potential for the development of national parks and of hunting facilities. Such arrangements should be complementary to the overall development of natural resources and tourism in the country. UNDP has provided preparatory assistance to Government to develop a strategy for conservation and management of wildlife resources. A project will become operational in 1973 to implement further studies and training needed to implement the strategy through the Afghan Tourist Organization and the newly established Wildlife Division, Department of Forestry which will assume ultimate responsibility for implementation of the country's conservation programme including management of National Parks. This project is also closely coordinated with the overall programme for the development of tourism including the Organization, Development and Promotion of Tourism Project (see paragraph 90) and supporting facilities.

- The UNDP planned allocation is $ 100,000 including 24 man months of expert services, 21 man months of fellowship training, equipment and miscellaneous expedition costs. The Government counterpart contribution is estimated at Afs. 1.79 million.

(d) Agricultural Planning and Institutions

40. The provisions for agricultural planning and agricultural statistics collection in Afghanistan need strengthening. The Asia Development Bank financed a major survey to assist the Ministry of Agriculture and Irrigation in assessing the agricultural potential of the country and identifying the appropriate objectives and

strategy of an agricultural development policy. Certain managerial assistance to the planning of the agricultural sector is being provided through the Agricultural Development Bank (paragraph 41). The project is designed to assist the Government in improving its overall capacity to identify, prepare and implement development plans and projects (paragraph 54) and will enable the Ministry of Agriculture and Irrigation to be more responsive in its efforts to develop the agricultural sector in the country. The strengthening of the Central Statistics Office with assistance of USAID, described in paragraph 54 , will also facilitate the collation and analysis of agricultural statistics.

41. Agricultural Development Bank. To overcome some of the deficiencies in agricultural credit, the Agricultural Development Bank was reactivated with assistance from the UNDP associated with an IDA credit. Initially, the Bank began operations by lending funds to purchase water pumps and other equipment and by assisting in the design and construction of irrigation systems, in collaboration with the Ministry of Agriculture and Irrigation. During the Fourth Plan, the legal and administrative framework within which the Bank operates will be strengthened; personnel will be trained in the appropriate techniques of management; the development of cooperatives and expansion of services will be encouraged; and an effective system of loan supervision will be introduced. Concrete steps in this direction have already been taken.

- The UNDP contribution approved for the Phase I project within the programme period is $ 187,000. The Government counterpart contribution for 1972 will be Afs. 2,200,000. The Phase II project has been approved, at a cost to UNDP of $ 752,000, and to the Government of Afs. 8 million.

Education

42. The overall policy is that free education should be provided to all Afghans. However, inspite of the impressive achievements of the last few years, the country is still in need of achieving its desired goal. The literacy rate remains low - on the order of 15%, primary school enrolment, as a percentage of the primary school age group, is only slightly over 20%. Further, the experience of the last decade is that educational development has been unbalanced.

43. Educational development received some attention in the Second and Third Five Year Development Plans. During this period, the Government aimed in particular at expanding educational facilities at the primary and secondary levels and at the training of sufficient teachers to staff the expanding facilities. During the Third Plan this policy was continued. However, although formal education enrolments were up, somewhat in excess of the plan forecast, vocational training enrolments were down, a matter of considerable importance. An interesting feature is that the supply of teachers increased more rapidly than the enrolment figure for formal education, indicating a drop in the student-teacher ratio, although the standard of the training of the teachers is of some concern. Over the past decade, enrolment in primary schools (grades 1-6) has increased from 176,000 in 1960 to 573,000 in 1971; at the middle schools (grades 7-9) from 21,000 in 1964 to 91,800 in 1971; and in lycees (grades 10-12) from 4,500 in 1964 to 35,400 in 1971.

44. The quantitative increases already achieved have not been matched by paralleled qualitative improvements, as large numbers of professionally unqualified teachers have had to be recruited for service, pending the outcome of measures taken during the Third Five Year Plan period to expand the Government's pre-service teacher training facilities, principally the Higher Teachers Colleges and Teacher Training Colleges. These are now capable of training new teachers at a rate of about 3,000 graduates a year for service in the primary and middle schools (training for the upper secondary level is the responsibility of Kabul University). Future recruitment of primary and middle school

teachers has, thus, been placed on a more acceptable basis, but the backlog of about 13,000 unqualified or under-qualified teachers already in the service poses a serious problem.

45. During the Fourth Plan period, the priorities established during the course of earlier plans will be maintained. Broadly speaking, this involves (1) continued priority on quantitative development of enrolment at primary, middle school and lycees; (2) strengthening of teacher and supervisor training; (3) reduction of dropout and wastage at primary level; and (4) the qualitative improvement in curriculum development and the use of modern teaching techniques. This last objecti·e will be applied with particular reference to the diversification of the lycee curricula, through increasing the emphasis on technical and science education, and towards expanding terminal managerial and skill training curricula at all levels. As an indication of some of the more important quantitative targets, primary school enrolments are forecast to reach over 900,000 by 1355 (1976-77) representing about 35% of the primary school age group; middle level and lycee enrolments are projected to reach 110,000 and 43,000 respectively, by the end of the Plan period. In order to accommodate this increase, 10,000 additional teachers are to be trained. This increased teacher output will be met from expanded courses at the Faculty of Education of the University of Kabul, the Higher Teachers Colleges, Teacher Training Colleges (both H.T.C.'s and T.T.C.'s are located in various parts of the country) and at professional schools and other institutes. At Kabul University including the Polytechnic, enrolments are forecast to increase from 7,400 in 1350 to 9,300 in 1355, but output over the plan period is planned to double (compared to the Third Plan) to 7,200. The allocation of new students to the various faculties will be based upon the anticipated demand of the economy for graduates in particular subjects. The educational programme will require considerable funds. Ordinary expenditure on education is planned to increase by 10% per annum; development expenditure of the Ministry of Education (excluding Kabul University) is estimated at Afs. 600 million (US $ 13.25 million) during the plan period. UNDP's requested contribution will be US $ 3.0 million.

46. The international community is heavily involved in the development of the entire educational system. Considerable assistance has been provided since 1964 by the World Food Programme (WFP) in the form

of food for students in boarding schools in and outside Kabul, and for those enrolled in the Kabul University. This programme will be continued during the Fourth Plan period. A variety of projects will be assisted by UNESCO through its Participation Programme. WFP assistance for a multipurpose community development project comprising construction of school buildings and adult literacy is under consideration. The USSR has assisted in the development of technical schools at Mazar-i-Sharif and Kabul (Janglak) and has financed development of the Kabul Polytechnic for expanded university level technical training. The USA is also involved. Apart from the assistance provided in connexion with the development of appropriate curriculum, principally at primary level, USA has also provided expert services, fellowship training, equipment and supplies to the Faculty of Education, Faculty of Agriculture, the Faculty of Engineering, the Afghan Institute of Technology, and for the administration of the University. The Federal Republic of Germany has supplied expert services training and equipment to several technical and other schools including Nadajat Lycee, grades 7-12, Kabul, grades 9-12 and Kandahar, grades 7-12, to the Faculty of Economics and the Faculty of Science at Kabul University, and to the Institute for Technical Teachers. France is helping with the development of the Lycee Esteqlal (grades 7-12), the Lycee Malalai (grades 7-12), and in the Faculties of Medicine and Pharmacy, Law, and Letters at Kabul University. India is assisting in the development of secondary and university education. Fellowships have been provided by a number of countries and additional assistance is provided through the volunteer programmes and by non-governmental organizations. The total amount of assistance to education in Afhganistan is very significant. However, the real requirements for continued assistance remain extremely valid and future assistance for the sector should be expanded to the extent possible.

47. A major factor to which increased attention is now being given is the need for curriculum revision at all levels. A start has been made, with USAID, at the primary school level, and the tasks of

revising the curriculum and of producing a new series of text books should be completed by the end of the Fourth Five Year Plan. Apart from the proposed work under the Integrated Educational Development Project, no systematic attempt has yet been made to revise the curricula for secondary, vocational and technical education and to adapt them to the present needs of the country. The wide extent of adult illiteracy is a further constraint to the attainment of the country's objectives. A modest start in association with UNESCO has been made in the field of adult education and functional literacy, and these activities need to be expanded (see paragraph 56 below). UNFPA is considering providing further project assistance in the educational broadcasting field to be executed by UNESCO.

48. Integrated Educational Development Project. The major UNDP financed project in the education sector for the Fourth Plan is the Integrated Educational Development Project. This project consists of the integration and extension of four on-going projects. The intention behind the amalgamation of the projects is to ensure that all assistance is properly coordinated and that an integrated programme of educational development is formulated in accordance with the priorities of the Government. There are four sub-projects as follows:

(1) Educational Planning: The purpose of this project is to assist the Government in defining its educational policies and strategies; to recommend measures required to adjust the output of the educational assistance to manpower requirements and to employment opportunities, and to continually assess the financing of educational programmes and facilities;

(2) Educational Broadcasting. The purpose of this project is to assist the Government in establishing and developing a national service of educational broadcasting, and in particular to initiate and develop programmes in the field of adult education, teacher training, and school broadcasting. Educational broadcasting is being developed primarily as a tool for teacher training and curriculum reform;

(3) National Programme of Educational Training. The purpose of this project is three-fold, (i) the continued training of educational personnel - teacher trainers, supervisors, school principals, headmasters and school and college librarians, (ii) the consolidation and development of a standard pattern for teacher training institutions including primary school teacher training through primary teacher training schools, middle school teacher training through Higher Teachers Colleges, and lycee training programmes in association with the Institute of Education at the University, (iii) strengthening of in-service teacher training programmes with particular reference to educational broadcasting and correspondence courses. The project will be centered in the Academy for Teacher Education, established under a previous Special Fund project, and which is also receiving continuing assistance from UNICEF and certain non-governmental organizations;

(4) Science Teaching and Audio-visual Aids. This project is designed to reform the secondary curricula in maths and science and to produce possible models of curricula and equipment for use in schools. The project will also be associated with the pre-service and in-service training of science teachers.

49. In addition there are a number of on-going projects due to be completed in the early years of the Country Programme period and included in the IPF. The finaly delivery of training and equipment components for the Higher Teachers College, Kabul valued at $ 15,000 and for the Regional Educational Development Project valued at $ 124,400 is scheduled for completion in 1972, as well as expert services and training to the Academy for Teacher Education extending into 1973 valued at $ 60,000. The teacher training and teaching material components of these projects will be continued under the Integrated Educational and Development Project. Finally, one fellowship valued at $ 10,000 in the programme period, has been provided for study in the field of English Language and Linguistics.

The UNDP allocation requested for the Integrated Educational Development Programme and other projects listed above in 1972 and 1973 is $ 1.951 million including 571 man months of expert services and 480 man months of fellowship training, plus a modest amount of equipment. The Government contribution for equivalent period is Afs. 300 million. The most recent estimate of the UNDP/UNESCO assisted educational programme needs for the full plan period 1972-76 call for a total UNDP contribution of $ 3.541 million. Of this amount $ 3.041 million is requested in the IPF total. The balance required ($ .5 million) listed for the Integrated Educational Development Phase III will be among the highest priorities in the Reserve List of Projects contained in Annex III, should additional funds become available under the IPF. In addition a further $ 300,000 is included in the Reserve List for Phase IV of this project to ensure continuity into the next Plan period.

Economic and Social Policy and Planning

(a) Development Administration

50. One of the most critical areas which affect the development of the economy is the strengthening of the administrative structure of the Government. The legislative side of Government activities need particular strengthening; the organizational framework for coordination and collaboration between the Ministries likewise needs improvement; and the terms of service for public officers are inadequate to attract and hold capable Afghans.

(i) Planning

51. Since the mid-1950's, a concentrated effort has been made to develop the planning machinery for the preparation and implementation of development plans and projects. Afghanistan is about to launch its Fourth Five Year Development Plan. However, inspite of the experience gained through the preparation and implementation of three earlier Development Plans, the machinery for planning in Afghanistan needs strengthening. A major factor has been the general paucity of statistical data (paragraph 55). It appears that more appropriate emphasis should have been placed on sectoral programming, plan implementation and the development of an effective machanism for project identification and preparation.

52. The economy has been forced to increasingly rely on a heavy inflow of external assistance which, in the past, had been allocated to building up the infrastructure of the country. Largely because of this factor and because of inadequate growth in the economy over the past few years, Afghanistan is now saddled with a very large public debt burden.

53. Considerable technical assistance has been provided to the Ministry of Planning in the past few years. USAID has in the past financed a large, long-term resident team to the Ministry. The team was closely involved in advising the Ministry in a number of issues, including the preparation of the economic development plans. The USSR and the Federal Republic of Germany (FRG) finance resident teams and are providing expert services, supplies and on-the-job

training to assist the Ministry of Planning and sectoral ministries with economic planning and project preparation (USSR) and planning, financial management and accounting (FRG). Fellowships have also been provided by these various agencies. France has been assisting to a limited extent in the provision of advice on economic planning matters. Under an on-going project, a fellowship in development economics was awarded by UNDP to an official of the Ministry of Planning. Expenditure in 1972 and 1973 for this project is estimated at $ 12,500 for UNDP and Afs. 24,000 for the Government.

54. Assistance in the field of planning: The Government has in March 1972 requested UNDP assistance for a planning team to:

(i) help the Government in developing the most appropriate package of policies which would improve the overall management and performance of the economy and

(ii) undertake the necessary preliminary pre-investment studies for projects and development programmes that would hopefully lead to the preparation of bankable projects to induce further capital inflows into Afghanistan.

The terms of reference of these experts would chiefly be as resident consultants to assist the Government's planning function and to identify the problem areas where further international assistance in the form of short-term consultants would be considered both effective and desirable. The exact nature and scope of the project will not be identified until a preparatory assistance mission has prepared the project document.

- The UNDP allocation requested for this project is $ 1.5 million. The Government counterpart contribution has been estimated at Afs. 1.5 million. The project, when approved, is anticipated to begin full operations by early 1974.

(a) Statistics, Public Administration and Financial Administration

55. Although no long-term UNDP project is foreseen in these fields, the development and improvement of the efficiency of the Afghan Government in these particular areas will be of critical importance for the success of the UNDP Country Programme. It is therefore thought desirable to briefly describe the nature of the problems, and to outline what assistance will be available to the Government

in overcoming some of the problems. In the field of statistics, the Government is suffering from a general lack of statistical data, a matter of considerable concern. There are no reliable demographic statistics, national accounts, employment statistics, agricultural or industrial statistics, and the available price index needs considerable refinement. The Government has recently established a Central Statistics Office (CSO) within the Prime Minister's Office and the CSO is charged with developing statistical surveys in a number of these areas. The CSO is being assisted through the provision of expert services, equipment and fellowship training by USAID. Under an on-going project a fellowship was awarded by UNFPA to an official of the Ministry of Planning in the field of demographic statistics. In the field of public administration the Government is particularly concerned with training of personnel, introducing modern methods of management into the administration of the business of Government, and advice will be available under the regular programme of the UN/OTC. The Government recently revised the civil service law with a view to streamlining the regulations governing the service. This work will be continued in the Fourth Plan. The problem of financial administration and fiscal planning is particularly important from the point of view of mobilising domestic resources for the ordinary and development expenditure of the Government. It is clear that the existing tax laws are not being applied fully and effectively, and as a result there is considerable non-payment of taxes. The Government will address itself to this problem during the Fourth Plan, and has formed a Financial Development Committee under the chairmanship of the Minister of Finance to draft recommended enabling legislation for the financial sector. The Ministry of Finance is being assisted by USAID in a programme: (i) to improve the system of revenue collection with emphasis on customs receipts; (ii) to conduct cadastral surveys to provide a foundation for a more equitable system of land taxation and (iii) to improve the budgetary process as an instrument for the allocation of resources. The Da Afghanistan Bank (the central bank) is receiving assistance in the form of expert services from

India and from the International Monetary Fund. The UNDP and IBRD assistance to the Agricultural Development Bank and the Industrial Development Bank, and the other measures described in the Country Programme for improving the efficiency and management of existing public enterprises (including the financial enterprises) will assist the Government in developing a financial infrastructure more responsive to the development of the country.

(b) Regional Development

56. As noted in the Agricultural sector above, the strategy for agricultural and rural development in the coming years will inter alia concentrate on the development of the irrigation potential already created, and on the efficient organization of an extension service to farmers supplying equipment, seeds and fertilizers through an appropriately managed credit system. Within this strategy, the Government has identified certain regions of the country that are relatively well endowed with development possibilities. The Fourth Plan contains proposals to maximize the economic potentialities of such regions. The aim is partly to use all available resources most productively, and partly to examine the extent to which development of programmes applicable in one area may be repeated in others in this respect. One important project is the development of the Helmand Arghandab Valley, partially financed by USAID. The USSR is assisting the Nangahar Development Authority in the development of two state farms from reclaimed farmland. Through an integrated programme and assisted by the Federal Republic of Germany, the Government will promote the development of Paktia Province. The PACCA Project (Project on Agricultural Credit and Related Services through Cooperatives in Afghanistan) which is financed by SIDA and executed by FAO is designed to demonstrate how a comprehensive approach to agricultural and rural development can be implemented. It is an attempt to apply the concept of integrated agricultural development, leading to rural development by way of providing essential services and facilities to the farmers, particularly emphasising training,

provision of physical inputs, marketing and credit through a cooperative action. On the basis of experience gained so far, a more balanced emphasis on organization and management of government services to agricultural/rural development will be attempted in future. The project comprises a training institute and two pilot areas with development centres as a nucleus of activity for the provision of services and supplies to the farmers working through the existing national administrative system. A UNESCO-executed functional literacy component forms an integral part of the project. Assistance from the United Nations system is also involved in the regional development. WFP is providing considerable food assistance to the Paktia Development Authority, and to the resettlement programme in the Helmand Arghandab Valley. The WFP is also assisting the Provincial Development Department in carrying out community development activities and providing food for work in a number of provinces in the country. UNICEF is providing expert services, fellowships and training to assist the Ministry of Health in providing safe drinking water in over 1,000 rural communities. This latter project is carried out in co-operation with the Ministry of Agriculture and Irrigation, and with other UN Agencies (WHO - Environmental Health Project and WFP), and with UNDP assisted projects in Groundwater development and in Water Management.

57. Integrated Development of the Kunar Region. Within the regional development programme, the UNDP will assist in a multipurpose project in Kunar Province. The project includes the construction of a development centre complex in Asadabad; the generation of hydro-electric power; the construction of new and improvement of the existing roads using labour intensive techniques, linked to the forest demonstration areas (see paragraph 39 above); and surveys and feasibility studies of soil conditions, the potential for small scale industries, the scope for mineral exploitation, and demand for vocational training. Apart from its relationship to the Demonstration and Training in Forest and Range Improvement, the project is also related to Rural Works Programme described in paragraph 58 below.

- Under the phase I project, the UNDP contribution approved for the project within the programme period 1972/75 is $ 921,000, including 216 man months of experts, 72 man months of fellowships and equipment. The Government counterpart cost is estimated at Afs. 50,744,000. A review mission is anticipated to formulate a second phase project concentrating on regional agricultural development. Preliminary estimates indicate that the second phase will cost $ 400,000 over the period 1974-76. The Government counterpart contribution is estimated at Afs. 40 million.

58. Rural Public Works. The UNDP is providing expert services, fellowship training, and equipment to assist the Provincial Development Department in defining requirements for basic infrastructure for future integrated regional programmes. The project includes engineering surveys, designs and assistance for the construction of small irrigation networks, provision of potable water to villages, the improvement and construction of secondary roads, and the repair and construction of bridges. The project is closely integrated with the Government's 'Wheat for Work Programme' for disaster relief activities stemming from the two consecutive years of drought. It is also linked to the integrated development of the Kunar Region Project (paragraph 57), and with the Demonstration and Training in Forest and Range Improvement Project (paragraph 39).

- The allocation approved by UNDP for this project within the programme period is $ 683,000. This allocation is made up of 167 man months of experts, 53 man months of fellowships, and equipment including an amount valued at $ 40,000 which was provided as an emergency measure to meet drought conditions. The estimated Government counterpart contribution for the programme period is Afs. 525 million.

59. Cartography. Under a successful on-going project, UNDP is supplying expert services, fellowship training and equipment to assist the Afghan Cartography Institute, Ministry of Mines and Industry to develop capabilities in conducting geodetic surveys for mapping, and to train staff in the compilation and editing of geographic maps at various scales.

- The UNDP allocation approved for this project within the programme period is $ 122,800, comprising 24 man months of expert services, 24 man months of fellowships, and equipment. The Government counterpart contribution is Afs. 260,000. The project is scheduled to be completed in 1973.

Health

60. The development of health services in Afghanistan, as in many developing countries, is beset by many problems. The incidence of communicable diseases, in particular malaria, small-pox and TB, is high, and environmental health conditions are generally poor. To a large extent, emphasis in the past has been placed on curative measures and policies, with little attention to preventive measures. There is a critical shortage of health manpower of all categories. Further, the health facilities that are available are inadequately distributed - neither in accordance with felt needs for health services, nor in response to the distribution of population between urban centres and rural areas. Some of these problems are compounded by the lack of available financial resources. Real current expenditure on health has remained relatively constant in the immediate past. There has been some increase in the number of hospital beds and certain progress has been made, in particular in the control of some of the communicable diseases.

61. In the Fourth Plan, the Government intends to mount a vigorous attack on many of these problems. In doing so, emphasis will shift to the preventive aspects of health care, The existing network of health facilities will be consolidated, existing health centres will be more adequately staffed, and new health centres established on the basis of the country's needs. The health training programme will be strengthened, and continued progress is planned for the communicable diseases programme.

62. WHO, under its regular programme, will make a significant contribution to this work through a variety of projects. WHO is assisting the programme for Eradicating Small-pox by establishing effective surveillance activities, and by continuing the vaccination programme. Under an Environmental Health Project, WHO is assisting in the development of a national environmental health programme through an environmental sanitation unit in the Ministry of Public Health. The School of Radiography is being assisted through the provision of certain expert services. Under a project

entitled Development of Basic Health Services, WHO and UNICEF are assisting in establishing basic health services throughout the country. In this project, all mass campaign programmes will be integrated at an advanced stage of the consolidation phase of the eradication programme, and through which provincial health administrations will be strengthened. At Avicenna Hospital, the Histopathological Department will be strengthened. The Institute of Public Health will be assisted in its development by the provision of certain services and by the training of public health workers. WHO is also assisting in Developing Nursing Administration and Education by improving the clinical preparation of nursing students in hospitals and out-patient departments. Through a project entitled Pharmaceutical Quality Control, WHO is assisting in establishing a division of pharmacy and medical supplies in the Ministry of Public Health, and in developing related services and legislation. The Division of Health Statistics and Manpower in the Ministry of Public Health is being assisted by WHO in developing national vital and health statistics. UNICEF is assisting in a number of these projects, by providing supplies, transport and grants. The World Food Programme is providing food assistance to a number of Basic Health Centres and kindergartens, primarily designed to assist in maternal and child health. As noted in paragraph 56, UNICEF, WHO and WFP are cooperating in a project to provide safe drinking water to rural communities. UNFPA/WHO are assisting in a survey of infant and child mortality. UNFPA is also considering providing project assistance through WHO to develop the newly established Family Health Division at the Ministry of Public Health and to expand maternal and child health services in a complementary project to the UNDP/WHO assisted programme noted in paragraph 66. USAID is helping to introduce more comprehensive planning and management systems in the Ministry of Public Health. Accordingly, the small scale UNDP/WHO project for assistance to the Planning Board of the Ministry, approved in March 1972 in the amount of $ 150,000 is being processed for cancellation.

The USSR is assisting in the development of a mother and child centre in Kabul, and in a number of disease control programmes. France assists in staffing a major hospital in Kabul. India has assisted in the development of an Institute of Child Health. The People's Republic of China is assisting in the establishment of a hospital in Kandahar. Japan has provided support to an orthopaedic surgery unit of a Kabul hospital and in development of water systems in four provincial capitals. France and the Federal Republic of Germany are assisting with the development of a unit to produce vaccines for the prevention of human and animal diseases. Several voluntary organizations provide assistance to health programmes, hospitals and training facilities. The UNDP will also be involved in the overall health programme.

63. Tuberculosis Advisory Services. Through an on-going project the UNDP is providing expert services, fellowships, equipment, and medical supplies to assist the Ministry of Public Health in drawing up and implementing a National Tuberculosis Programme. The Programme will be carried out along with the strengthening of the basic health services with assistance of WFP. The project includes the training of health personnel, and a control unit has already been established in the Ministry of Public Health. Government is considering a revision of this project to provide additional consultant services and fellowship training in 1975-76.

- The UNDP contribution approved for this project is $ 170,000 covering the period 1972-1974, comprising 36 man months of expert services, 93 man months of fellowships, and equipment. The estimated Government counterpart contribution is Afs. 6,000,000.

64. Water Supply, Sewerage and Drainage for Greater Kabul. The water supply, sewerage and drainage problems for Kabul need considerable improvement, largely to accommodate the needs of a growing city. Environmental health problems are compounded by the virtual absence of an appropriately modernized system. Expert and contract services, fellowship training and equipment were provided to the Central Authority for Housing and Town Planning, to prepare master plans,

including engineering, feasibility design and management studies for water supply, sewerage, drainage and solid waste disposal within the Greater Kabul area. Project plans and cost estimates for two pilot projects identified are expected to provide a sound basis and justification to obtain financing for the development of essential public services needed for the development of and improved environmental health conditions for Greater Kabul. Potential sources of investment finance are closely associated with the work of this project.

- The UNDP contribution approved for this project within the programme period is $ 655,807, made up of 235 man months of expert services, 78 man months of fellowships, and equipment. Estimated Government counterpart contribution for the programme period is Afs. 25,056,000.

65. Nursing Advisory Services. Under an on-going project the UNDP is providing expert services, fellowship training and equipment to assist the Ministry of Public Health and the Ministry of Education to develop unified nursing training programmes and to prepare and implement a national programme for nursing education, services and administration. Government is considering continuation and expansion of this programme through 1976 to expand and improve quality of nursing services and an amount of $ 150,000 is contained in the Reserve List of the IPF, should additional funds become available.

- The UNDP contribution approved for this project is $ 150,000 for the period 1972-74, comprising 90 man months of expert services, 42 man months of fellowships and equipment. The estimated Government counterpart contribution is Afs. 5,000,000.

66. Maternal and Child Health. The purpose of this project is to assist the Ministry of Public Health in the administration, reorganization and strengthening of comprehensive, maternal and child health services, including family planning. Refresher and orientation courses in maternal and child health as well as family planning will be given for medical and auxiliary personnel. The Government is considering a revision of this project to rephase activities and to integrate them with the request for UNFPA assistance to the MCH programme noted in paragraph 62.

- The UNDP contribution approved for this project is $ 137,000 comprising 36 man months of expert services, 60 man months of fellowships, and equipment for the period 1972-74. The Government counterpart contribution is estimated at Afs. 540,000.

67. Malaria Control Programme. Afghanistan has undertaken an important programme of malaria eradication. This programme is being assisted with technical personnel and training by WHO as well as equipment, vehicles and insecticides from UNICEF and technical assistance from USSR. The assistance from UNICEF is gradually phasing out but the Government is still in need of foreign assistance to implement the programme. The Government has submitted a request to UNDP for financing of services of a Mission to review the Malaria programme in Afghanistan and prepare recommendations for future strategy and programme implementation. An allocation of $ 10,000 is made within the country programme to finance the UNDP/WHO Review Mission expected to be conducted jointly with Government in summer 1973.

Mines and Industry

(a) Mines

68. The mineral sector output in Afghanistan currently contributes about 1% to gross domestic product. Mineral potential is generally not developed as desired. There are obstacles in developing the basic infrastructure (water, power, transport) in those areas of known mineral deposits. The numerous studies on minerals in Afghanistan clearly indicate that there appear to be several promising deposits of ores. So far, lime, coal, lapis lazuli, marble, salt and natural gas have been commercially exploited. Natural gas exports to the Soviet Union have grown markedly over the last few years. Other minerals with known exploitation potential over a reasonably long period include barite, chromite, copper, iron ore, lead, berryl, magnetite, mica and possibly phosphates and potash.

69. During the Fourth Plan, the Government will continue to survey and explore deposits for eventual possible exploitation; geological mapping will be continued and training programmes enhanced. The 1971 Economic Report by IBRD identifies a number of potentially feasible projects in the minerals field. Local currency resources for some of these have been earmarked in the Plan but there is a lack of corresponding external commitments. In the case of oil and natural gas resources, the survey exploration and exploitation work will be developed with particular emphasis on the northern areas of the country. This process will be assisted by the USSR. Prospects for further mineral development appear promising, especially when the Mineral and Petroleum Laws are passed by the Parliament, and there appears to be considerable scope for technical assistance in this area. Such assistance, to be of the maximum impact, should assist the Government in carrying out investment feasibility studies of known deposits; provide training with particular reference to exploration and drilling techniques; contribute to the geological mapping programme; and assist in the drafting of mineral legislation.

(b) Industry

70. The industrial sector contributes slightly over 10% to gross domestic product in Afghanistan. The greater part of industrial output originates from the small scale handicraft and village industries. The large scale manufacturing enterprises, numbering almost 100 and employing about 30,000, mainly produce limited quantities of cement, textiles and certain processed foodstuffs. The public sector participates significantly in industrial activity, and within the private sector there is only limited foreign participation. The major natural resources are coal, iron ore and gas, and there is significant potential for the generation of hydro-electric power.

71. There has been a rapid growth in the industrial sector in the immediate past. There was scarcely any significant industrial activity until the First Five Year Development Plan, launched in 1335 (1956). However, one of the most significant legislative measures enacted during the Third Plan was the Foreign and Domestic Private Investment Law which for the first time established certain fundamental measures for the protection and control of private investment. As a result, there has been a marked increase in investment in the last few years, and the great majority of manufacturing enterprises date from this period. In spite of this, however, performance of the industrial sector in the Third Five Year Plan did not achieve the level of output and growth forecast for the period.

72. There are many factors adversely influencing the rapid growth of the industrial sector in Afghanistan. First and foremost, the small scale of the domestic market - itself a function of the size of the population and the per capita income - which limits the opportunity for widespread manufacturing activity. Second, the performance of the industrial sector is in turn dependent almost entirely upon the performance of the rural sector. The rural sector produces the raw material - in particular wheat, cotton, sugar and fruit - for processing for domestic and foreign markets, and

increases in rural income create the demand in turn for fertilizers and other agricultural inputs, and for manufactured consumer goods. As noted earlier, the growth of the agricultural sector in recent years has been such as to inhibit the growth of the industrial sector. Third, though Afghanistan's geographical position affords a natural protection to domestic producers, the high transportation cost increases the cost of both the necessary imported raw materials and the capital goods as well as domestic exports. Fourth, the legal and institutional framework for industrial activity needs strengthening; the customs tariff structure needs revision to encourage domestic industrial production, and to augment Government revenues. State enterprises have been established, often with considerable excess capacity, on the basis of inadequate market surveys, or requiring considerable imports of raw materials. Finally, the level of skills, whether at the managerial or at the operational level, is not high enough.

73. The Government has recognised all these various problems, and in the Fourth Plan period will mount a vigorous attack on at least the most important of them. The major plan objective is to maximize the rate of growth of the industrial sector, and (bearing in mind the contribution of the handicraft and the village industries) output of the industrial sector is anticipated to double over the plan period. Gross investment is estimated to be on the order of Afs. 12.5 billion, of which Afs. 9.3 billion will be incurred by the public sector. Employment is estimated to increase by 18,000 - 20,000. The practice of the immediate past - a mixed public/private collaborative effort in developing the industrial sector -will be continued. Within the public sector, priority will be given to those projects which use domestic resources and raw material, which increase or save foreign exchange, and which promote employment. As part of the export development programme,particular attention will be paid to initiating industries particularly based on the structure of demand in foreign markets. Both traditional and non-traditional exports will be encouraged. The organizational, administrative, and legal framework

within which state enterprises operate, will be strengthened, so as to maximize their contribution to the development of the industrial sector. Overall industrial projects will be promoted only when a proper technical, economic and financial appraisal has shown the investment to be fully justified.

(i) Small Scale Industries and Industrial Estates

74. As part of its effort to base Afghanistan industrial development on the utilisation of domestic resources, a limited number of industrial estates will be established. The estates will attract small scale industrial units, capable of supplying the limited domestic market, mobilizing small amounts of domestic savings and generally maximising the use of labour in the production process. Basic infrastructural facilities will be improved to facilitate the development of the estates. The Government is interested also in the export potential of small scale industries and the development of industrial estates will be carried out with this objective in view. As part of this programme, the Asian Development Bank and the Indian Government are assisting in the development of estates near Kabul.

75. Handicraft and village industries perform extremely important functions in the development of the industrial sector. Handicraft industries diffuse industry away from urban areas into a rural environment, providing useful opportunities for wage employment. In total, it is estimated that there are over 50,000 small scale handicraft workshops in Afghanistan, producing a total output several times that of the modern large scale industrial plants. The development of handicrafts is particularly important for its relationship to the potential for tourism (see paragraph 86 ), and to its capacity for direct foreign exchange earnings.

76. As part of this programme UNDP will be assisting in a variety of projects. In 1972, two fellowships, Leather Tanning and Development of Handicrafts and Small Scale Industries in the Kunar Region, were provided at a cost to UNDP of $ 2,250 and $ 3,600 respectively, and to the Government of Afs. 10,000 and Afs. 16,000 respectively. UNDP is providing in 1972-73 assistance in the Design of Lapis Lazuli

and Other Semi-precious Stones. This project is designed to improve the capacity of Government workshops to cut and polish Lapis Lazuli and other stones and to train craftsmen in improved methods of design and production. The Government also wishes to establish a Handicraft Centre. The project is designed to provide assistance to artisans to improve their product with particular reference to the tourist trade and export markets. The Centre will be constructed within the framework of the rebuilding of the Char Chata Bazar, Kabul. UNDP assistance for the Centre is included in the Reserve List of Projects (Annex III).

- The total UNDP contribution approved for the Design of Lapis Lazuli and Other Semi-Precious Stones, within the programme period is $ 13,975, to be spent in 1972. The Government counterpart contribution is estimated at Afs. 300,000. UNDP assistance will continue for six months in 1973 with financing outside the IPF. The Government counterpart contribution for the extension of the project is estimated at Afs. 150,000.

(ii) Agricultural Industry

77. The great bulk of the modern industrial sector consists of the processing of agricultural crops and foodstuffs for the domestic and foreign markets. During the Fourth Plan, a wheat silo project will be completed and a flour mill, sugar and fruit preservation plants established. The UK has provided expert services to assist in the management and operation of Lashkargar Cotton Seed Extraction and Edible Oil Processing Plants and for the Baglan Sugar Beet Factory.

78. The UNDP will participate in this programme by assisting the Government to establish a Wool Grading, Scouring, Packaging and Disposal Programme. There is no modern large scale scouring organisation in the country and the export of raw wool is uneconomic, as the material is carpet type wool and the superfluous foreign matter adds significantly to its total weight. The UNDP project consists of the establishment of wool grading, scouring and packaging centre at Kandahar and the establishment of a wool testing authority designed to develop and enforce regulations for the uniform grading, scouring and packaging of wool for export. The project which, through

reduction of transport costs, has considerable potential for increasing earnings from the export of wool is complementary to the proposed IBRD/IDA Livestock Development Project in Herat (see paragraph 37). A shearing training programme is also included in the UNDP project.

- The UNDP allocation apprvoed for this project amounts to $ 760,000, consisting of 151 man months of experts, 36 man months of fellowships and of equipment of which $ 115,000 is for pre-project activities ($ 92,000 in 1972 and 1973) and $ 668,000 is planned for Phase I during the programme period beginning in 1973. The Government counterpart contribution is estimated at Afs. 16.2 million. It is anticipated that Phase I of the project will extend to 1975 during which time it will be evaluated for continuation in a second phase. A further extension of the project for a period of up to 2 years (1975-76) and estimated to cost $ 200,000 is included in the Reserve List (Annex III) and will be implemented should additional funds become available.

(iii) Institutional Services

79. One of the numerous factors affecting the development of industry is the absence of a suitably developed infrastructure capable of responding to requests for loans and credits to establish and/or extend industrial enterprises. Present sources, whether local or foreign, are too expensive for most entrepreneurs. Moreover, advice or assistance currently available to prospective investors through the Investment Advisory Centre and the Agricultural Development Bank should be expanded. The UNDP will be assisting in financing programmes designed to overcome these problems.

80. During the Fourth Plan, a number of policy issues of direct concern to the Government will receive attention. The Government encouragement of industrial development is at present carried out through a variety of institutions. The Ministry of Commerce is primarily concerned with the private sector and partly executes its

responsibilities in this respect through the Investment Advisory Centre. The Centre vets all investment applications prior to the Investment Committee granting incentives under the Foreign and Domestic Private Investment Law of 1967. Currently, assistance is being provided to the Centre by USAID - with particular emphasis on developing incentives for the encouragement of private enterprises; by the Federal Republic of Germany in the field of industrial planning, and by France in the field of small industries. In addition, UNIDO is providing a food processing expert (under its regular programme). UNIDO is also providing the services of a leather industries adviser financed by UNDP in 1972-73 with resources other than the IPF. (see paragraph 21). Further UNDP assistance to the Investment Advisory Centre is included in the Reserve List of Project (Annex III). This particular project is designed to advise prospective private sector enterpreneurs and to assist with the identification, preparation and appraisal of industrial projects prior to seeking financial support.

81. Industrial Services. The responsibilities of the Ministry of Mines and Industries for the industrial sector are primarily concerned with the public sector enterprises. Through a project - Industrial Services - UNDP will be assisting the Ministry in (i) identifying opportunities for launching new industrial activities, and (ii) improving the performance of existing state enterprises. The project will be closely related to a number of other projects - Creation of a Management Centre - in the Ministry of Mines and Industries (paragraph 92) the provision of a management team to the Industrial Development Bank (paragraph 82), and to the projects described in paragraph 80.

- The UNDP contribution requested for this project is $ 276,000 including 92 man months of expert services, 36 man months of fellowship training and equipment. The Government counterpart contribution is estimated at Afs. 812,000. It is anticipated that this project, if approved, will become operational during 1973.

82. Industrial Development Bank. Early in 1973, the Government established an Industrial Development Bank. It is planned that the Bank will be owned partly by Afghan interests and partly by overseas investors. An IBRD/IDA credit for the bank is under consideration. Apart from its lending activities, the Bank will also provide a certain assistance to the public sector regarding the technical, economic and financial evaluation of investment proposals. The Bank will be primarily concerned with the private sector and the successful establishment and operation of the Bank will be critical for the private sector in achieving its share of industrial growth during the plan period. The Bank will also have certain financial responsibilities for the state enterprises. The UNDP will provide a management team to complement the IBRD/IDA credit.

- The UNDP contribution requested is $ 364,000, for the years 1973-76, including 138 man months of expert services, 36 man months of fellowship training and equipment. The Government counterpart contribution is estimated at Afs. 27.5 million.

International Trade

(a) Trade

83. Foreign trade constitutes an important element of economic activity in Afghanistan. Over the last few years, however, and for a variety of reasons, the external reserve position of Afghanistan has been generally deteriorating, although there was a significant recovery in 1971, largely because of favourable export prices. In the long run, however, traditional exports have not expanded considerably, commercial imports have increased rapidly in the last few years, and debt payments are beginning to climb markedly. Although a considerable portion of Afghanistan's trade is unrecorded and takes place along traditional channels, the recorded movements indicate the underlying trends. On the export side, exports of natural gas to the USSR and of dried fruit and nuts enabled export earnings to increase during the third plan, whilst a decline in project aid brought official imports down. Nevertheless, recorded imports are now beginning to exceed recorded exports. In view of the structure of the economy, agriculture dominates the pattern of exports. Fresh and dried fruit and nuts constitute the largest single commodity export (roughly one third) followed by karakul skins, wool, cotton and carpets. Natural gas exports which have been rising rapidly now constitute roughly one sixth of the total exports of Afghanistan.

84. Afghanistan exports a widening range of commodities, most of which are generally not facing a serious decline in overseas demand - in contrast to the position of many developing countries. Moreover, in view of the difficulties of transport, it is fortunate that many items have a reasonably high unit value. The major constraint towards an expansion of exports appear to be two-fold. First, the domestic supply of exportable items is inelastic. The measures described in the Fourth Plan and summarised in paragraph 44 to increase the growth of the agricultural sector are partly designed with the objective of expanding the supply of exportable goods. Second, the administrative framework for the promotion of exports needs strengthening. As an answer to this, the SIDA financed and ITC executed export promotion project located in the Ministry of Commerce is intended to generally assist the Government in providing advice to prospective exporters, to conduct export market surveys,

and to participate in overseas trade fairs. Complementary assistance on export promotion from a UNDP financed/UNCTAD executed inter-regional project for Training and Advisory Services on Generalised System of Preferences is also helping the Government develop its export activities. Under UN/OTC and previous French bilateral assistance, the Government, in consultation with neighbouring countries, is developing ways and means of facilitating the inter-country transit of goods and commodities.

85. During the Fourth Plan, the balance of payments position of the Government will be difficult. Although exports are forecast to grow considerably faster than imports, adverse capital account movements will probably offset any favourable current account trends, as a result of the increasing debt service burden and the difficulties in utilising project aid. A number of short-term measures will be taken to rectify the situation, including debt re-scheduling, but in the long run the only satisfactory solution is to improve the export orientation of the economy. The programmes of development in the agricultural and industrial sectors are geared to this end, and it is expected that the economy can absorb an increased amount of technical assistance in the area.

(b) Tourism

86. Tourism is a rapidly growing source of foreign exchange. Roughly 113,000 tourists entered Afghanistan in 1971, bringing total earnings of about $ 4.2 million. However, probably less than half were "bona fide" tourists, the balance involving temporary movements from neighbouring countries. It is generally believed that there is a great potential for the development of tourism in Afghanistan, prompted in part by the magnificent scenic attractions and in part by the fascinating historical monuments. Apart from its effects on increasing foreign exchange, the development of tourism also provides the potential for expansion of employment opportunities, small scale and handicraft industries and Government revenues, through the use of a judicious fiscal system.

87. Nevertheless, the ability of the country to handle an increasing number of tourists is limited. This is largely because of the inadequate facilities in the form of hotel beds in Kabul or in the major tourist centers,organised tourist circuits and other supporting infrastructure.

88. The Fourth Plan contains a vital programme for the development of tourism in Afghanistan. The specific proposals are based on a considerably expanded inflow of tourists, and on extending the average length of their stay in the country. The Government will establish the strategy for the development of the sector and will develop the necessary supporting infrastructural services, in particular hotels in the major tourist centres of the country. The private sector will be encouraged to play its part. Promotional efforts will be expanded. The construction of a new airport near Kabul, to accommodate an increased inflow of tourists, is under consideration. Considerable external assistance will be required to enable the Government to achieve its objectives in this field.

89. To assist in identifying the possibilities for the development of tourism, UNDP financed a feasibility study programme through the Afghan Tourist Organization. In particular, the programme identified the major tourist attractions, prepared the feasibility studies for the development of the necessary facilities and recommended changes in the public sector institutions concerned with tourism. The Government is considering implementation of some of the specific projects recommended by the study, perhaps through an IBRD/IDA credit, (see paragraph 21. b.iii). Certain activities have already been undertaken with UNDP assistance (see paragraph 39.A. Conservation and Utilization of Wildlife Resources and paragraph 95 concerning hotel training).

90. UNDP is providing expert services to the Afghan Tourist Organization and the Afghan Air Authority through the Organization, Development, and Promotion of Tourism Project, to facilitate the overall development and promotion of tourism in Afghanistan during the Fourth Plan. The project is closely linked to feasibility

studies noted above. In particular, under an expanded project, assistance will be provided to assist the Government in (1) drawing-up a comprehensive tourism programme; (2) re-organizing and improving the administrative and operational management of the Afghan Tourist Organization and Afghan Tours; and (3) in establishing and operating a National Travel Bureau.

- The UNDP allocation for the approved project is $ 30,000 of which $ 25,000 was provided in 1972. The Government counterpart contribution is estimated at Afs. 180,000. Under Phase II of the project 102 man months of expert services will be provided at a total cost to UNDP of $ 262,000. The Government counterpart contribution to the Phase II project will be Afs. 1.42 million.

Labour, Management and Employment

(a) Management Development

91. A critical constraint affecting the development of the industrial sector is the generally low level of competence of managers of public and private enterprises. This is particularly so of the state enterprises, which number over 70 and which have been established with an estimated equity capital on the order of Afs. 15 billion. Within the industrial sector, the Government has invested about Afs. 9 billion in some 36 fully owned enterprises. With some exceptions, most of these enterprises are not efficiently managed, operating with excess capacity, and are not in a position to earn a satisfactory rate of return. As stated earlier, 75% of total investment in the industrial sector will be borne by the public enterprises. Moreover, a reform of the framework within which the enterprises operate, and of their management, is a matter of extreme urgency when considering the volume of the existing public investment in the enterprises and their importance in enabling the forecast of industrial growth made in the Fourth Plan to be achieved. Hitherto, there has been a limited amount of external assistance. The Federal Republic of Germany has provided expert services to assist several ministries (Finance, Commerce, Mines and Industries) and selected state enterprises with advice on managerial problems. The USA has provided assistance to the Ministry of Commerce Investment Advisory Center for private investors.

92. UNDP has also been involved in this sector. UNDP financed a small scale Management Development Project in 1972 to assist the Government in designing a programme aimed at improving the level of basic managerial skills within the existing state enterprises. Following this, a large scale project for Creation of a Management Centre has been requested for implementation in 1973-1975. The project will be concerned with developing a management consultancy service within the Ministry of Mines and Industry, to provide assistance in the practical application of management techniques, to offer assistance generally on management problems to selected

state enterprises. For the time being, the services available through the project will be limited to those state enterprises which are the responsibility of the Ministry of Mines and Industry. Depending on the success of the project, it is intended that the services will be extended to all other state enterprises. Moreover, the development of the project will be closely linked with the proposed Industrial Services project, described in paragraph 81.

- The UNDP allocation approved for the small scale Management Development Project is $ 62,000 including 12 man months of experts, 48 man months of fellowship training, and equipment. The Government counterpart contribution to this project is estimated at Afs. 132,000. The proposed large scale Creation of a Management Development Centre project calls for 98 man months of expert services, 36 man months of fellowships, and equipment for a total estimated cost of $ 304,000. The Government counterpart contribution is estimated at Afs. 2.7 million. Future assistance to the project will be evaluated at a later date, and for the present an allocation of $ 300,000 is included in Annex III to provide for continued assistance, should additional funds become available.

93. UNDP has provided assistance from sources outside the IPF for a Materials Management System Project at a cost of $ 30,000 to UNDP and Afs. 278,000 to the Government. The project is designed to reorganize, improve and generally establish an efficient system for the procurement, installation and distribution of supplies and materials for all Government agencies and enterprises.

(b) Employment

94. Generally the growth of wage employment opportunities has not kept pace with the growth of the labour force, mainly because employment opportunities appear to be closely linked with the growth of output as a whole. Though the problem of urban unemployment

has not yet reached the serious condition experienced by many other countries, the underlying trends give rise for some concern. Under a recently completed project, the UNDP financed the provision of expert services to assist the Ministry of Planning and the Ministry of Education with advice, analysis and recommendations for adjusting the output of the educational system to employment opportunities. Expenditure in 1972, consisting of the provision of one expert's services on this project (Manpower Planning) was in the order of $ 10,500. The work carried out under this project will now be incorporated in the Integrated Education Development Project.

95. As part of this programme the UNDP financed in 1972 services of a short term consultant ($5,000) to assist the Ministry of Education, and other organizations concerned with the tourism industry to identify the training facilities to meet employment requirements for the hotel industry. The basic recommendations contained in the outline of the report are now under consideration by the Government. The Reserve List of Projects (Annex III) includes a project to establish a Hotel and Tourism Training Centre.

Population

96. Afghanistan's population is estimated at about 17 million, but no population census has been taken. On the basis of sample surveys, the rate of natural increase of the population is estimated at about 2.3%. A small proportion of the population (about 10%) is urbanized, and an equally small proportion constitutes the nomadic element. A certain amount of assistance has been provided in connection with population problems of Afghanistan. The UNFPA is financing an infant and child mortality survey executed by WHO. The purpose of the project, which is basically of an experimental nature, is to discover whether in a country without systems of vital registrations, a sample survey can be undertaken to provide sufficiently reliable information on infant and early childhood mortality, and its causes, so as to satisfy the need for the planning of family health facilities. This project is conducted in close cooperation with USAID assisted projects in the statistical and health services management fields (see paragraphs 54 and 60) as well as the UNDP financed MCH project executed by WHO (paragraph 66). UNFPA is also involved in developing a programme with UNESCO for the use of the broadcasting media to propagate family planning issues, and is concerned with providing advice on family health matters generally. USAID is likewise involved in this latter direction. The Central Statistics Office and the Afghan Demographic Studies Programme assisted by USAID will be carrying out a number of surveys designed to ascertain more accurately the demographic nature of the population. In addition, USAID is providing assistance in family guidance through the Ministry of Public Health and the Afghan Family Guidance Association (AFGA). UNFPA is furnishing fellowship training programmes to the Government in the demography and statistics fields.

Science and Technology

97. Development of Meteorological Services. The UNDP is providing expert services, fellowship training and equipment to assist the Afghan Air Authority and related Government agencies in a programme of improving and expanding meteorological services. The assistance has concentrated on consolidating and expanding the network of weather stations, extending the services to include agrometeorology and hydrometeorology, and to improve the efficiency of services provided through the utilisation of data processing equipment and appropriate management methods. The project is closely associated with bilateral assistance provided from the USSR and provides basic climate data needed for programme planning by Government and all donors of assistance to development activities, particularly in regional development programmes.

- The UNDP contribution approved for this project within the programme period is $ 521,615, comprising 112 man months of expert services, 76 man months of fellowships, and equipment. The Government counterpart contribution is estimated at Afs. 29,227,000. The project is scheduled to be completed in 1974.

Social Security and Other Social Services

(a) Urban Development and Public Works

98. Central Authority for Housing and Town Planning. To assist the Government in designing suitable policies for the development of urban areas, UNDP has provided expert services, fellowship training and equipment to assist in establishment of the Central Authority for Housing and Town Planning. The Authority is concerned with the formulation of policies for regional and urban master plans, preparation of those plans and the supervision of their implementation by local authorities; the development of a building research centre and laboratory primarily to conduct a research programme on building materials, standards and local building practice; and to coordinate public and semi-public housing construction programmes. The Central Authority has also received assistance from Japan through the Colombo Plan, with particular reference for the development of potable water systems in Kabul and assistance is currently being provided in development of water supply systems in other urban areas. Following completion of the project as currently envisaged, the Central Authority may require assistance in the drafting of regulations governing urban land-use and land-zoning problems generally.

- The UNDP contribution approved for this project within the programme period is $ 200,000 including equipment valued at $ 20,000 to help develop research capabilities at the Building Research Laboratory. The Government counterpart contribution for the programme period is estimated at Afs. 6,500,000. The project is anticipated to be completed in 1974.

Transport and Communications

(a) Road Transport

99. The road network constitutes the base of the transportation system of the country. Considerable investment has been incurred during previous plan periods on the construction of paved roads linking the main population centres of the country. In addition to completing on-going projects, the Fourth Plan places considerable emphasis on (i) the construction of access and feeder roads so as to link production and population centres with the main road network; and (ii) towards maintaining and improving the network of paved and unpaved roads. The UNDP will play an important part in this programme.

100. Highway Maintenance. Under an on-going project, the UNDP is providing consultant services to assist the Ministry of Public Works in implementing a Highway Maintenance Programme for selected paved and unpaved roads. Particular attention is paid to the development and administration of sound road maintenance practices through the establishment of a road maintenance department; the selection, procurement and delivery of maintenance and repair equipment (this part of the project is financed by the IBRD/IDA credit); and for the execution of legislative, administrative, economic and technical studies designed to improve highway transport operations and maintenance. A second IDA credit will continue the programme initiated through the first credit, with particular reference to (i) improving the standard of existing paved roads, and (ii) to extending the services to other areas of the country. The Government has agreed in principle that financing for the consultant services, hitherto financed by UNDP, will be sought from the second IDA credit. In order to ensure successful completion of the work undertaken in Phase I, UNDP will provide an amount of $ 900,000 from the IPF to finance consultant services through August/September 1974. The USSR is financing a complementary project, associated with the maintenance of roads constructed under earlier Soviet credits.

- The UNDP allocation for the project already approved for Phase I of the programme is $ 1,279,000. The Government counterpart contribution for the equivalent programme period is Afs. 44,990,000. A further $ 900,000 is to be provided to complete Phase I consultant services by September 1974. Additional Government contribution is Afs. 33,000,000. Government intends to request IBRD/IDA to provide necessary funds for financing Phase II consultant services for the project from IDA credit, beginning in 1974.

(b) Air Transport

101. In the topographical conditions of Afghanistan, where roads are not usable throughout the year, air transport is of considerable importance. Moreover, air transport provides a rapid means of conveyance of passengers and goods and is particularly relevant to the proposed development of tourism. During the Fourth Plan, the UNDP will be closely associated with the development of air transport facilities in Afghanistan. Both the following in-country projects are also being supported by the UNDP financed Regional and Inter-Regional Technical Assistance Programme executed by ICAO.

102. Civil Aviation. Under an on-going project UNDP is providing expert services, fellowship training and equipment to assist the Afghan Air Authority in the development of flight information services, radio communication and maintenance, flight safety and flight operations including civil air regulations and civil aviation safety orders and heavy vehicle maintenance. The project is complementary to that described in paragraph 103.

- The UNDP allocation approved for the project within the programme period is $ 94,326, comprising 36 man months of expert services, 6 man months of fellowships, and equipment. The Government counterpart contribution is estimated at Afs. 540,000. And additional $ 100,000 is included in the Reserve List of projects to extend the project through 1975, should funds become available.

103. Assistance to the Afghan Air Authority. Under an on-going project UNDP is supplying expert services, fellowship training and equipment to assist the Afghan Air Authority in the development of a state owned domestic air service. The assistance is concentrated on operation of STOL and other aircraft, the training of management, pilot and maintenance personnel, the construction and rehabilitation of air fields and equipment and the development of telecommunication and other technical services. The project is complementary to the Development of Meteorological Services Project described in paragraph 97.

- The UNDP allocation for this project for the programme period is $ 1,244,828, covering 274 man months of expert services, 425 man months of fellowships, and equipment. The Government counterpart contribution for the programme period is Afs. 240,000,000.

(b) Telecommunication Development

104. The major objectivesof the communication programme as described in the Fourth Plan are to expand the capacity of the domestic communications system, and to provide facilities for improved international communications. The FRG is providing equipment for development of a national telecommunications network under credit assistance. The UNDP is associated with two in-country projects in this respect, and is also financing a project to help develop regional telecommunications network facilities (RAS/69/164/ITU).

105. Telecommunication Training Centre. Under an on-going second Phase project, UNDP is providing expert services, fellowship training and equipment to establish the Telecommunication Training Centre, Kabul. Administrative personnel instructors are being trained, appropriate curricula developed, and courses initiated in the field of telephony, telegraphy, and radio communications. Annual output of graduates from the Centre is 30 from long-term courses and

50 from in-service courses. During the second phase, assistance will concentrate on the development and the implementation of pre-service and in-service training courses required for the various categories of personnel to efficiently operate the telecommunication and postal services.

- The UNDP allocation for phase two of this project, which is already approved, is $ 1,003,100, comprising 336 man months of experts, 68 man months of fellowships, and equipment. The Government counterpart contribution is estimated at Afs. 15,865,000. The current phase of the project is scheduled to be completed in 1975. The Reserve List (Annex III) contains a proposal for the extension of the project beyond 1975 (to establish an extended series of courses) should additional funds become available.

106. Telecommunication Services. Under a complementary project to the Telecommunications Training Centre, UNDP is providing expert services, fellowships and equipment to assist the Ministry of Communications with the planning, development, administration and maintenance of a national telecommunications network, which will link Kabul with the key towns around the country. Major attention is concentrated on telephone, telegraph and telex connections, carrier frequency and the development of high frequency radio links.

- The UNDP contribution for Phase I of this project is $ 180,000, covering 60 man months of expert services, 24 man months of fellowships plus equipment. The project is being extended in a second phase covering the period 1972-75 at a cost of $ 211,000 to provide 63 man months of expert services, 18 man months fellowships, and equipment. The Government counterpart contribution is estimated at Afs. 419,000 and Afs. 519,000 respectively.

107. Postal Organization. Under a similar project to the Telecommunication Services Project, UNDP is supplying expert services, fellowship training and equipment to assist the Ministry of Communications with the analysis and improvement of countersorting, collection, delivery and accounting procedures, and the improvement of national postal organization and planning. The project is complementary to the Telecommunication Training Centre project (paragraph 105) which carries out postal-training activities.

- The UNDP contribution for the project already approved is $ 54,000 to provide 13 man months of expert services, 18 man months of fellowships plus a modest amount of equipment. The project will be extended in a second Phase covering the period 1972-74 at a cost of $ 71,000 to furnish 14 man months of experts, 12 man months of fellowships and equipment. The Government counterpart contribution is estimated at Afs. 42,000 and Afs. 34,000 respectively.

SECTION III. SUMMARY OF SECTORAL ALLOCATION

108. A summary of the sectoral allocations requested from UNDP for the country programme period 1972-76 is given in the following table:

| Estimated Govt. Inputs (Afs.000) | % | Sector | Estimated UNDP Inputs (US$ 000)* | %* |
|---|---|---|---|---|
| 168,556 | 10.0 | Agriculture, Forestry and Fisheries | 5,270 | 26.3 |
| 440,673 | 26.1 | Education | 3,041 | 15.2 |
| 617.528 | 36.6 | General Economic and Social policy and planning | 3,639 | 18.2 |
| 37,196 | 2.2 | Health | 1,275 | 6.4 |
| 44,855 | 2.7 | Industry | 1,420 | 7.1 |
| 1,600 | 0.1 | International Trade | 292 | 1.5 |
| 2,852 | 0.2 | Labour, Management and Employment | 382 | 1.9 |
| 29,227 | 1.7 | Science and Technology | 522 | 2.6 |
| 6,500 | 0.4 | Social Security and other Social Services | 200 | 1.0 |
| 335,435 | 20.0 | Transport and Communications | 5,037 | 25.2 |
| 1,684,422 | 100.0 | | 21,078 | 105.4 |

*UNDP inputs are over-programmed against $20 million IPF and are to be adjusted in annual programme reviews in light of project performance and priorities established by Government Annual Development Plans. Approved expenditures will be maintained within the total IPF of $20 million for the period 1972-76.

109. In addition the Government wishes to include in the country programme for 1972-76 a series of projects which also deserve to be listed in the programming. These projects will be implemented in the event that the Governing Council should find it possible to increase the IPF for Afghanistan, or in the event of any savings in the IPF becoming available. Details of these projects are listed in Annex III.

AFGHANISTAN

ANNEX I

ESTIMATED GOVERNMENT AND UNDP INPUTS

IN FINANCIAL TERMS FOR THE PERIOD 1972 TO 1976

| Estimated Govt. Inputs (in Afs. '000) | | | | | | | | Estimated UNDP Inputs (US$ '000) | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1972 | 1973 | 1974 | 1975 | 1976 | TOTAL | | ACTIVITIES BY SECTOR | TOTAL | 1972 | 1973 | 1974 | 1975 | 1976 |
| | | | | | | | SECTOR: AGRICULTURE, FORESTRY AND FISHERIES | | | | | | |
| | | | | | | A. | Ongoing/Approved Projects | | | | | | |
| - | - | - | - | - | - | 1. | Kunduz, Khanabad Irrigation Feasibility Study | 13 | 10 | 3 | - | - | - |
| 200 | - | - | - | - | 200 | 2. | Groundwater Investigation | 120 | 120 | - | - | - | - |
| 350 | - | - | - | - | 350 | 3. | Groundwater Equipment & Experts | 195 | 180 | 15 | - | - | - |
| 21,519 | 20,131 | 15,650 | 1,876 | - | 59,176 | 4. | Water Management | 1,220 | 400 | 423 | 316 | 81 | - |
| 36 | - | - | - | | 36 | 5. | Water Resources (F 'ship ) | 5 | 5 | - | - | - | - |
| 10,185 | 1,862 | - | - | - | 12,047 | 6. | Training and Demonstration in Animal Health & Husbandry (Phase I) | 396 | 324 | 72 | - | - | - |
| 2,500 | 8,000 | 8,000 | - | - | 18,500 | 7. | Rinderpest Control | 118 | 55 | 32 | 31 | - | - |
| 5,427 | 5,391 | - | - | - | 10,818 | 8. | Demonstration & Training in Forest and Range Improvement | 664 | 356 | 308 | - | - | - |
| - | - | - | - | - | - | 9. | Conservation and Utilisation of Wild-Life Resources (P.P.A) | 5 | 5 | - | - | - | - |
| 2,200 | - | - | - | - | 2,200 | 10. | Agricultural Development Bank(Phase I) | 187 | 187 | - | - | - | - |
| 42,417 | 35,384 | 23,650 | 1,876 | - | 103,327 | | Sub-Total 'A' | 2,923 | 1,642 | 853 | 347 | 81 | - |
| | | | | | | B. | New Projects | | | | | | |
| - | 6,000 | 8,000 | 8,000 | 8,000 | 30,000 | 1. | Training and Demonstration in Animal Health & Husbandry (Phase II) | 900 | - | 200 | 300 | 250 | 150 |
| - | 5,000 | 7,000 | 7,000 | 6,500 | 25,500 | 2. | Livestock production | 600 | - | 120 | 150 | 180 | 150 |
| - | 911 | 776 | 42 | - | 1,729 | 3. | Conservation and Utilisation of Wildlife Resources | 95 | - | 50 | 45 | - | - |
| 1,000 | 2,500 | 2,500 | 2,000 | - | 8,000 | 4. | Agricultural Development Bank(Phase II) | 752 | 96 | 234 | 249 | 173 | - |
| 1,000 | 14,411 | 18,276 | 17,042 | 14,500 | 65,229 | | Sub-Total 'B' | 2,347 | 96 | 604 | 744 | 603 | 300 |
| 43,417 | 49,795 | 41,926 | 18,918 | 14,500 | 168,556 | | TOTAL AGRICULTURE FORESTRY AND FISHERIES | 5,270 | 1,738 | 1,457 | 1,091 | 684 | 300 |

ANNEX I

| 1972 | 1973 | 1974 | 1975 | 1976 | TOTAL | | ACTIVITIES BY SECTOR | TOTAL | 1972 | 1973 | 1974 | 1975 | 1976 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | SECTOR: EDUCATION | | | | | | |
| | | | | | | A. | Ongoing/Approved Projects | | | | | | |
| 4,126 | - | - | - | - | 4,126 | 1. | Educational Planning and Broadcasting | 251 | 251 | - | - | - | - |
| 185,881 | - | - | - | - | 185,881 | 2. | National Programme for Educational Training | 503 | 503 | - | - | - | - |
| 17,098 | - | - | - | - | 17,098 | 3. | Science Teaching and Audio Visual Aids | 131 | 131 | - | - | - | - |
| - | - | - | - | - | - | 4. | Higher Teachers College | 15 | 15 | - | - | - | - |
| - | - | - | - | - | - | 5. | Regional Educational Development | 124 | 124 | - | - | - | - |
| - | - | - | - | - | - | 6. | Academy for Teacher Education | 60 | 45 | 15 | - | - | - |
| 26 | 20 | - | - | - | 46 | 7. | English Language & Linguistics (F'ship) | 10 | 5 | 5 | - | - | - |
| 207,131 | 20 | - | - | - | 207,151 | | Sub-Total 'A' | 1,094 | 1,074 | 20 | - | - | - |
| | | | | | | B. | New Projects | | | | | | |
| - | 93,522 | - | - | - | 93,522 | 1. | Integrated Educational Development (Phase I) | 857 | - | 857 | - | - | - |
| - | - | 70,000 | 70,000 | - | 140,000 | 2. | Integrated Educational Development (Phase II) | 1,090 | - | - | 690 | 400 | - |
| - | 93,522 | 70,000 | 70,000 | - | 233,522 | | Sub- Total 'B' | 1,947 | - | 857 | 690 | 400 | - |
| 207,131 | 93,542 | 70,000 | 70,000 | - | 440,673 | | TOTAL EDUCATION | 3,041 | 1,074 | 877 | 690 | 400 | - |

ANNEX I

| 1972 | 1973 | 1974 | 1975 | 1976 | TOTAL | | ACTIVITIES BY SECTOR | TOTAL | 1972 | 1973 | 1974 | 1975 | 1976 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | SECTOR: GENERAL ECONOMIC AND SOCIAL POLICY AND PLANNING | | | | | | |
| | | | | | | A. | Ongoing/Approved Projects | | | | | | |
| 24 | - | - | - | - | 24 | 1. | Economic Development (Fellowship) | 6 | 6 | - | - | - | - |
| 26,277 | 20,002 | 4,465 | - | - | 50,744 | 2. | Integrated Development of the Kunar Region (Phase I) | 921 | 254 | 334 | 273 | 60 | - |
| 89,000 | 109,000 | 109,000 | 109,000 | 109,000 | 525,000 | 3. | Rural Public Works | 683 | 110 | 110 | 175 | 150 | 138 |
| 130 | 130 | - | - | - | 260 | 4. | Cartography | 123 | 68 | 55 | - | - | - |
| 115,431 | 129,132 | 113,465 | 109,000 | 109,000 | 576,028 | | Sub-Total 'A' | 1,733 | 438 | 499 | 448 | 210 | 138 |
| | | | | | | B. | New Projects | | | | | | |
| - | - | - | - | - | - | 1. | Economic Development (F'ship) Extension | 6 | - | 6 | - | - | - |
| - | - | 500 | 500 | 500 | 1,500 | 2. | Assistance in the Field of Planning | 1,500 | - | - | 500 | 500 | 500 |
| - | - | 15,000 | 15,000 | 10,000 | 40,000 | 3. | Integrated Development Kunar Region (Phase II) | 400 | - | - | 100 | 200 | 100 |
| - | - | 15,500 | 15,500 | 10,500 | 41,500 | | | 1,906 | - | 6 | 600 | 700 | 600 |
| 115,431 | 129,132 | 128,965 | 124,500 | 119,500 | 617,528 | | TOTAL GENERAL ECONOMIC AND SOCIAL POLICY AND PLANNING | 3,639 | 438 | 505 | 1,048 | 910 | 738 |

ANNEX I

| 1972 | 1973 | 1974 | 1975 | 1976 | TOTAL | ACTIVITIES BY SECTOR | TOTAL | 1972 | 1972 | 1974 | 1975 | 1976 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | SECTOR: HEALTH | | | | | | |
| | | | | | | A. Ongoing/Approved Projects | | | | | | |
| 250 | 250 | 100 | - | - | 600+ | 1. Assistance to the Planning Board of the Ministry of Health | 150 | 60 | 75 | 15 | - | - |
| 2,500 | 2,000 | 1,500 | - | - | 6,000 | 2. TB Advisory Services | 170 | 74 | 49 | 47 | - | - |
| 15,000 | 10,056 | - | - | - | 25,056 | 3. Water Supply Sewerage & Drainage for Greater Kabul | 658 | 274 | 280 | 104 | - | - |
| 2,000 | 1,500 | 1,500 | - | - | 5,000 | 4. Nursing Advisory Services | 150 | 66 | 46 | 38 | - | - |
| 180 | 180 | 180 | - | - | 540 | 5. Maternal & Child Health | 137 | 57 | 50 | 30 | - | - |
| 19,930 | 13,986 | 3,280 | - | - | 37,196 | Sub-Total 'A' | 1,265 | 531 | 500 | 234 | - | - |
| | | | | | | B. New Projects | | | | | | |
| - | - | - | - | - | - | 1. Malaria Control Programme | 10 | - | 10 | - | - | - |
| - | - | - | - | - | - | Sub-Total 'B' | 10 | - | 10 | - | - | - |
| 19,930 | 13,986 | 3,280 | - | - | 37,196 | TOTAL HEALTH | 1,275 | 531 | 510 | 234 | - | - |

ANNEX I

| 1972 | 1973 | 1974 | 1975 | 1976 | TOTAL | ACTIVITIES BY SECTOR | TOTAL | 1972 | 1973 | 1974 | 1975 | 1976 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | SECTOR: INDUSTRY | | | | | | |
| | | | | | | A. Ongoing/Approved Projects | | | | | | |
| 10 | - | - | - | - | 10 | 1. Leather Tanning (F'ship) | 2 | 2 | - | - | - | - |
| 16 | - | - | - | - | 16 | 2. Development of Handicrafts and Small Scale Industries in the Kunar region (F'ship) | 4 | 4 | - | - | - | - |
| 150 | 150 | - | - | - | 300 | 3. Design of Lapiz Lazuli and other Semi-Precious Stones | 14 | 14 | - | - | - | - |
| 192 | - | - | - | - | 192 | 4. Wool grading, Scouring, Packaging & Disposal Programme(PPA) | 92 | 60 | 32 | - | - | - |
| 368 | 150 | - | - | - | 518 | Sub-Total 'A' | 112 | 80 | 32 | - | - | - |
| | | | | | | B. New Projects | | | | | | |
| - | 13,605 | 1,434 | 969 | - | 16,008 | 1. Wool Grading, Scouring, Packaging & Disposal Programme (Phase I) | 668 | - | 372 | 193 | 103 | - |
| - | 336 | 381 | 95 | - | 812 | 2. Industrial Services | 276 | - | 114 | 140 | 22 | - |
| - | 6,873 | 7,012 | 6,816 | 6,816 | 27,517 | 3. Industrial Development Bank | 364 | - | 78 | 102 | 94 | 90 |
| - | 20,814 | 8,827 | 7,880 | 6,816 | 44,337 | Sub-Total 'B' | 1,308 | - | 564 | 435 | 219 | 90 |
| 368 | 20,964 | 8,827 | 7,880 | 6,816 | 44,855 | TOTAL INDUSTRY | 1,420 | 80 | 596 | 435 | 219 | 90 |

| Estimated Govt. inputs (in Afs. 000's) | | | | | | | Estimated UNDP inputs (in 000 $) | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1972 | 1973 | 1974 | 1975 | 1976 | TOTAL | ACTIVITIES BY SECTOR | TOTAL | 1972 | 1973 | 1974 | 1975 | 1976 |
| | | | | | | SECTOR: INTERNATIONAL TRADE. | | | | | | |
| | | | | | | A. Ongoing/Approved Projects | | | | | | |
| 150 | 30 | - | - | - | 180 | 1. Organisation, Development and Promotion of Tourism (Phase I) | 30 | 25 | 5 | - | - | - |
| 150 | 30 | - | - | - | 180 | Sub-Total 'A' | 30 | 25 | 5 | - | - | - |
| | | | | | | B. New Projects | | | | | | |
| - | 842 | 578 | - | - | 1,420 | 1. Organisation, Development and Promotion of Tourism (Phase II) | 262 | - | 32 | 122 | 108 | - |
| - | 842 | 578 | - | - | 1,420 | Sub-Total 'B' | 262 | - | 32 | 122 | 108 | - |
| 150 | 872 | 578 | - | - | 1,600 | TOTAL INTERNATIONAL TRADE | 292 | 25 | 37 | 122 | 108 | - |
| | | | | | | SECTOR: LABOUR, MANAGEMENT AND EMPLOYMENT | | | | | | |
| | | | | | | A. Ongoing/Approved Projects | | | | | | |
| 132 | - | - | - | - | 132 | 1. Management Development | 62 | 62 | - | - | - | - |
| 20 | - | - | - | - | 20 | 2. Manpower Planning | 11 | 11 | - | - | - | - |
| - | - | - | - | - | - | 3. Hotel Training | 5 | 5 | - | - | - | - |
| 152 | - | - | - | - | 152 | Sub-Total 'A' | 78 | 78 | - | - | - | - |
| | | | | | | B. New Projects | | | | | | |
| - | 1,231 | 1,255 | 214 | - | 2,700 | 1. Management Centre | 304 | - | 121 | 161 | 22 | - |
| - | 1,231 | 1,255 | 214 | - | 2,700 | Sub-Total 'B' | 304 | - | 121 | 161 | 22 | - |
| 152 | 1,231 | 1,255 | 214 | - | 2,852 | TOTAL LABOUR, MANAGEMENT AND EMPLOYMENT | 382 | 78 | 121 | 161 | 22 | - |

ANNEX I.

| 1972 | 1973 | 1974 | 1975 | 1976 | TOTAL | ACTIVITIES BY SECTOR | TOTAL | 1972 | 1973 | 1974 | 1975 | 1976 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | SECTOR: SCIENCE & TECHNOLOGY | | | | | | |
| | | | | | | A. Ongoing/Approved Projects | | | | | | |
| 9,568 | 9,856 | 9,803 | - | - | 29,227 | 1. Development of Meteorological Services | 522 | 273 | 188 | 61 | - | - |
| 9,568 | 9,856 | 9,803 | - | - | 29,227 | Sub-Total 'A' | 522 | 273 | 188 | 61 | - | - |
| - | - | - | - | - | - | B. New Projects | - | - | - | - | - | - |
| - | - | - | - | - | - | Sub-Total 'B' | - | - | - | - | - | - |
| 9,568 | 9,856 | 9,803 | - | - | 29,227 | TOTAL SCIENCE & TECHNOLOGY | 522 | 273 | 188 | 61 | - | - |
| | | | | | | SECTOR: SOCIAL SECURITY AND OTHER SOCIAL SERVICES | | | | | | |
| | | | | | | A. Ongoing/Approved Projects | | | | | | |
| 4,000 | 2,500 | - | - | - | 6,500 | Central Authority for Housing & Town Planning | 200 | 140 | 60 | - | - | - |
| 4,000 | 2,500 | - | - | - | 6,500 | Sub-Total 'A' | 200 | 140 | 60 | - | - | - |
| - | - | - | - | - | - | B. New Projects | - | - | - | - | - | - |
| - | - | - | - | - | - | Sub-Total 'B' | - | - | - | - | - | - |
| 4,000 | 2,500 | - | - | - | 6,500 | TOTAL SOCIAL SECURITY AND OTHER SOCIAL SERVICES | 200 | 140 | 60 | - | - | - |

ESTIMATED GOVERNMENT AND UNDP INPUTS
IN FINANCIAL TERMS FOR THE PERIOD 1972 TO 1976

| Estimated Govt. Inputs (in Afs.) thousands | | | | | | ACTIVITIES BY SECTOR | Estimated UNDP inputs (in $) thousands | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1972 | 1973 | 1974 | 1975 | 1976 | TOTAL | | TOTAL | 1972 | 1973 | 1974 | 1975 | 1976 |
| | | | | | | SECTOR: TRANSPORT AND COMMUNICATION | | | | | | |
| | | | | | | A. Ongoing/Approved Projects | | | | | | |
| 21,170 | 23,820 | - | - | - | 44,990 | 1. Highway Maintenance (Phase I) | 1,279 | 790 | 489 | - | - | - |
| 360 | 180 | - | - | - | 540 | 2. Civil Aviation | 94 | 64 | 30 | - | - | - |
| 80,000 | 80,000 | 80,000 | - | - | 240,000 | 3. Afghan Air Authority | 1,245 | 690 | 472 | 83 | - | - |
| 5,865 | 5,371 | 4,453 | 176 | | 15,865 | 4. Telecommunication Training Centre | 1,003 | 408 | 361 | 215 | 19 | - |
| 370 | 49 | - | - | - | 419 | 5. Telecommunication Services | 180 | 143 | 37 | - | - | - |
| 42 | - | - | - | - | 42 | 6. Postal Organization | 54 | 52 | 2 | - | - | - |
| 107,807 | 109,420 | 84,453 | 176 | - | 301,856 | Sub-Total 'A' | 3,855 | 2,147 | 1,391 | 298 | 19 | - |
| | | | | | | B. New Projects | | | | | | |
| - | 3,000 | 30,000 | - | - | 33,000 | 1. Highway Maintenance (Phase I Completion) | 900 | - | 350 | 550 | - | - |
| 25 | 200 | 172 | 122 | - | 519 | 2. Telecommunication Services (Phase II) | 211 | 13 | 106 | 61 | 31 | - |
| - | 48 | 12 | - | - | 60 | 3. Postal Organization (Phase II) | 71 | 1 | 62 | 8 | - | - |
| 25 | 3,248 | 30,184 | 122 | - | 33,579 | Sub-Total 'B' | 1,182 | 14 | 518 | 619 | 31 | - |
| 107,832 | 112,668 | 114,637 | 298 | - | 335,435 | TOTAL TRANSPORT AND COMMUNICATION | 5,037 | 2,161 | 1,909 | 917 | 50 | - |
| 507,979 | 434,546 | 379,271 | 221,310 | 140,816 | 1,684,422 | GRAND TOTAL | 21,076 | 6,538 | 6,382 | 4745 | 2,285 | 1,128 |

PRELIMINARY LIST OF PROJECTS WITH TENTATIVE TIMETABLE

ANNEX II

FOR PROJECT FORMULATION AND IMPLEMMENTATION

(XXX - Tentative period for implementation; - Tentative period for formulation, appraisal, approval, Executing Agency and Government preparatory activities)

| Country: Afghanistan | 1972 | | | | | | 1973 | | | | | | 1974 | | | | | | 1975 | | | | | | 1976 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND |
| AGRICULTURE, FORESTRY AND FISHERIES | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A. Ongoing/Approved Projects | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Kunduz, Khanabad Irrigation Feasibility Study | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. Groundwater Investigation | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. Groundwater Equipment & Experts | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | |
| 4. Water Management | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | X | | | | | | | |
| 5. Water Resources (F'ship) | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6. Training and Demonstration in Animal Health & Husbandry (Phase I) | XX | XX | XX | XX | XX | XX | XX | X | | | | | | | | | | | | | | | | | | | | | | |
| 7. Rinderpest Control | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | |
| 8. Demonstration & Training in Forest and Range Improvement | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | |
| 9. Conservation and Utilisation of Wildlife Resources (PPA) | | | | | | X | | | | | | | | | | | | | | | | | | | | | | | | |
| 10. Agricultural Development Bank (Phase I) | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B. New Projects | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Training and Demonstration in Animal Health & Husbandry (Phase II) | | | | | -- | -- | -- | -X | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX |
| 2. Livestock Production | | | | | -- | -- | -- | -- | -- | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX |
| 3. Conservation and Utilisation of Wildlife Resources | | | | -- | -- | -- | -- | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | | | | | | |

| Country: Afghanistan | 1972 | | | | | | 1973 | | | | | | 1974 | | | | | | 1975 | | | | | | 1976 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND |
| 4. Agricultural Development Bank (Phase II) | | | | | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | | | |
| EDUCATION | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A. Ongoing/Approved Projects | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Educational Planning and Broadcasting | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. National Programme for Educational Training | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. Science Teaching and Audio Visual Aids | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. Higher Teachers College | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | | | |
| 5. Regional Educational Development | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | | | |
| 6. Academy for Teacher Education | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | | | |
| 7. English Language & Linguistics (F'ship) | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | X | | | | | | | | | | | | | | | | | | |
| B. New Projects | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Integrated Educational Development (Phase I) | | | | | -- | -- | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | |
| 2. Integrated Educational Development (Phase II) | | | | | | | | | - | -- | -- | -- | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | |
| GENERAL ECONOMIC AND SOCIAL POLICY AND PLANNING | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A. Ongoing/Approved Projects | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Economic Development (Fellowship) | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | | | |

| Country: Afghanistan | 1972 | | | | | | 1973 | | | | | | 1974 | | | | | | 1975 | | | | | | 1976 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND |
| 2. Integrated Development of the Kunar Region (Phase I) | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | X | | | | | | | | |
| 3. Rural Public Works | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX |
| 4. Cartography | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | |
| B. New Projects | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Economic Development (F'ship) Extension | | | | | | | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | |
| 2. Assistance in the Field of Planning | | | | | -- | -- | -- | -- | — | — | — | — | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX |
| 3. Integrated Development Kunar Region (Phase II) | | | | | | | | | | — | — | — | -- | -- | — | -- | -X | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX |
| HEALTH | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A. Ongoing/Approved Projects | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Assistance to the Planning Board of the Ministry of Health | | X | XX | XX | XX | | XX | XX | XX | XX | XX | XX | XX | X (In Process of Cancellation) | | | | | | | | | | | | | | | | |
| 2. TB Advisory Services | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | |
| 3. Water Supply, Sewerage & Drainage for Greater Kabul | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | |
| 4. Nursing Advisory Services | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | |
| 5. Maternal & Child Health | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | |
| B. New Projects | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Malaria Control Programme | | | | | | | -- | — | XX | | | | | | | | | | | | | | | | | | | | | |
| INDUSTRY | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A. Ongoing/Approved Projects | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Leather Tanning (F'ships) | XX | XX | X | | | | | | | | | | | | | | | | | | | | | | | | | | | |

ANNEX II (Contd)

| Country: Afghanistan | 1972 | | | | | | 1973 | | | | | | 1974 | | | | | | 1975 | | | | | | 1976 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND | JF | MA | MJ | JA | SO | ND |
| 2. Development of Handicrafts and Small Scale industries in the Kunar Region (F'ship) | | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | | |
| 3. Design of Lapiz Lazuli and other Semi Precious Stones | XX | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. Wool Grading, Scouring, Packaging & Disposal Programme (PPA) | XX | XX | XX | XX | XX | XX | XX | X | | | | | | | | | | | | | | | | | | | | | | |
| B. New Projects | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Wool Grading, Scouring, Packaging & Disposal Programme (Phase I) | -- | -- | -- | -- | -- | -- | -- | -X | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | | | |
| 2. Industrial Services | | | | | | | | | XX | XX | XX | | XX | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | | | | |
| 3. Industrial Development Bank | | | | | | | | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX |
| INTERNATIONAL TRADE | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A. Ongoing/Approved Projects | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Organization, Development and Promotion of Tourism (Phase I) | | XX | XX | XX | XX | XX | XX | | | | | | | | | | | | | | | | | | | | | | | |
| B. New Projects | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Organization Development and Promotion of Tourism (Phase II) | | | | | | -- | -- | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | XX | | | | | | |
| LABOUR, MANAGEMENT AND EMPLOYMENT | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| A. Ongoing/Approved Projects | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Management Development | | XX | XX | XX | XX | XX | XX | X | | | | | | | | | | | | | | | | | | | | | | |
| 2. Manpower Planning | XX | XX | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. Hotel Training | XX | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

ANNEX II (Contd)

| Country: Afghanistan | 1972 JF MA MJ JA SO ND | 1973 JF MA MJ JA SO ND | 1974 JF MA MJ JA SO ND | 1975 JF MA MJ JA SO ND | 1976 JF MA MJ JA SO ND |
|---|---|---|---|---|---|
| B. New Projects | | | | | |
| 1. Management Centre | -- -- -- | -- -X XX XX XX XX | XX XX XX XX XX XX | XX X | |
| SCIENCE & TECHNOLOGY | | | | | |
| A. Ongoing/Approved Projects | | | | | |
| 1. Development of Meteorological Services | XX XX XX XX XX XX | XX XX XX XX XX XX | XX XX XX XX XX XX | | |
| SOCIAL SECURITY AND OTHER SOCIAL SERVICES | | | | | |
| A. Ongoing/Approved Projects | | | | | |
| 1. Central Authority For Housing & Town Planning | XX XX XX XX XX XX | XX XX XX XX X | | | |
| TRANSPORT AND COMMUNICATION | | | | | |
| A. Ongoing/Approved Projects | | | | | |
| 1. Highway Maintenance (Phase I) | XX XX XX XX XX XX | XX XX XX XX XX X | | | |
| 2. Civil Aviation | XX XX XX XX XX XX | XX XX XX XX XX XX | | | |
| 3. Afghan Air Authority | XX XX XX XX XX XX | XX XX XX XX XX XX | XX XX XX XX | | |
| 4. Telecommunication Training Centre | XX XX XX XX XX XX | XX XX XX XX XX XX | XX XX XX XX XX XX | XX X | |
| 5. Telecommunication Services | XX XX XX XX X | | | | |
| 6. Postal Organization | XX XX XX XX XX XX | X | | | |
| B. New Projects | | | | | |
| 1. Highway Maintenance (Phase I Completion) | | -- -- -- -- -- -X | XX XX XX XX X | | |
| 2. Telecommunication Services (Phase II) | -- -- -- -- -X XX | XX XX XX XX XX XX | XX XX XX XX XX XX | XX XX XX XX XX XX | |
| 3. Postal Organization (Phase II) | -- -- -- -- -- -X | XX XX XX XX XX XX | XX X | | |

## ANNEX III

## LIST OF ADDITIONAL PROJECTS TO BE FINANCED UNDER THE IPF IF SUFFICIENT FUNDS BECOME AVAILABLE

| Sector | Project Title | Allocation Requested | Duration | Remarks |
|---|---|---|---|---|
| Agriculture | Demonstration and Training in Forest and Range Improvement, Phase II | $ 1,000,000 | 1974-76 | Additional funds required for the possible extension of the project. |
| Agriculture | Livestock Production and Development, Phase II | 300,000 | 1974-76 | Additional funds required for the possible extension of the project. |
| Industry | Wool Grading, Scouring, Packaging and Disposal Programme, Phase II | 200,000 | 1975-76 | Additional funds required for a further extension of the project. |
| Education | Integrated Educational Development Project, Phase III | 500,000 | 1974-76 | Amounts required to cover expanded activities of the Project over the period 1974-76. |
| International Trade | Hotel and Tourism Training Centre | 350,000 | 1973-76 | Amount required to develop essential tourism training facility. |
| Agriculture | Integrated Development of the Kunar Region, Phase III | 600,000 | 1974-76 | Additional funds required for a further extension of the project. |
| Industry | Handicraft Centre | 200,000 | 1973-76 | - |

ANNEX III (Continued)

| Sector | Project Title | Allocation Requested | Duration | Remarks |
|---|---|---|---|---|
| Industry | Creation of Management Centre | 300,000 | 1975-76 | Assistance required to continue the project till 1975-76. |
| Transport and Communications | Telecommunication Training Centre, Phase III | 450,000 | 1975-76 | Amount required for the continuation of assistance 1975-76. |
| Health | Nursing Advisory Services | 150,000 | 1975-76 | - |
| Transportation and Communications | Civil Aviation | 100,000 | 1974-75 | - |
| Education | Integrated Educational Development Project, Phase IV | 300,000 | 1974-76 | - |
| Industry | Assistance to Investment Advisory Centre | 250,000 | 1973-76 | - |
| Culture and Social & Human Sciences | Preservation of Monuments | 300,000 | 1974-76 | - |
| | | 5,000,000 | | |